هكذا من الأصل

The Global Newspaper
Edited and Published in Paris
Printed simultaneously in Paris, London, Zurich, Hong Kong, Singapore, The Hague, Marseille, New York, Rome, Tokyo, Frankfurt.

International Herald Tribune

Published With The New York Times and The Washington Post

No. 33,565 4/91 ** PARIS, SATURDAY-SUNDAY, JANUARY 26-27, 1991 ESTABLISHED 1887

Scuds Hit Riyadh And Tel Aviv, Israeli Is Killed

Iraqis Dump Huge Oil Slick in Gulf, But U.S. Discounts Military Impact

By Jackson Diehl and William Claiborne
Washington Post Service

TEL AVIV — Iraq launched a salvo of seven Scud missiles at Israel on Friday night, prompting a counterbarrage from newly installed Patriot anti-missile batteries and scattering lethal shrapnel around greater Tel Aviv.

At least one person was reported killed and 40 injured in the attacks, officials said. The Scuds carried conventional warheads, the Israeli military said.

[In Riyadh, a Scud hit the central part of the city and apparently killed one person, Reuters reported. The missile, with a conventional warhead, destroyed one wing of a six-story government building. It was the first death reported in four Iraqi missile raids on the Saudi Arabian capital.]

In what was the fifth Iraqi attack on Israel in eight days, military officials said the majority of the Scuds had been hit by Patriot missiles, which were brought in by the United States after the first attacks last week.

However, officials said damage reported in several areas could have been caused by Scud warheads, fragments, or Patriots that missed.

Despite the new casualties, the army's chief of staff, Lieutenant General Dan Shomron, said that Israel would continue its policy of postponing any action against Iraq by its own military forces.

"We have the ability to hit back, but we have a long-term interest in holding back now," he said in a television interview. "If we try to be rational, there's no other way."

The sky over Tel Aviv lit up with Scuds, seen against the low clouds as bright points of light, and Patriot missiles arcing toward their targets directly over the city before bursting into balls of fire. As sirens wailed and residents fled to rooms sealed against a possible chemical attack, a series of explosions in the air and on the ground reverberated through the city.

As one incoming missile streaked toward southern Tel Aviv at what appeared to be an altitude of a few hundred feet, two Patriot missiles flashed toward it and then abruptly turned about 120 degrees and followed it into a dense cloud. One missile, apparently a Patriot, rocketed into the sky and then appeared to nosedive directly into the ground.

A two-story house in an affluent neighborhood of greater Tel Aviv was flattened by an explosion, and rescue workers pulled out at least two occupants.

The outside walls of the house next door were peeled away by the effects of the blast, exposing the interior, and another house behind the lot was wrecked. Windows and doors of scores of houses in a four-block radius were blown in.

In Haifa, an incoming Scud was hit squarely by a Patriot, and no damage or casualties were reported. Israel Army radio said.

An army spokesman, General Nachman Shai, said at least two Patriot missiles had been fired at every Scud.

Some officials said that the results of the attack suggested that Patriots could not fully defend Israeli cities even if they hit their Scud targets, because of the resulting spray of debris over populated areas.

"If you have sirens wailing and things falling and hitting people, who cares if it's a Scud or a piece of c**p, or a Patriot?" an official said.

General Shai said that Israeli officials indicated it was not possible to shoot down incoming missiles before they approached their targets in populated areas. The Patriot missile batteries, he said, "are in the right places."

"For the time being there is no reason to move these batteries."

Four Patriot batteries were reported deployed around Israel by Thursday, and the army said that

See SCUDS, Page 4

Marina Cleaver/The Associated Press

A fireman hosing down burning rubble in Tel Aviv Friday after Iraq launched another barrage of Scud missiles at Israel. Iraqi missiles also hit the Haifa area.

By Paul F. Horvitz
International Herald Tribune

WASHINGTON — Iraqi forces are deliberately dumping "huge quantities" of crude oil into Gulf waters off Kuwait, which is raising the specter of enormous environmental damage, the White House said Friday.

The Pentagon characterized the dumping as "clearly an act of environmental terrorism" that would have "severe consequences" for the nations in the Gulf.

The United States is consulting with several other governments on a plan of action, the White House said.

U.S. military officials contended that the dumping had no military significance for the ongoing attacks on Kuwait and Iraq. They denied Iraqi assertions that U.S. aircraft had bombed Kuwaiti tankers.

Oil industry sources offered a range of opinions on whether the slick — which Saudi sources estimated at 10 miles (16 kilometers) long — could be set ablaze. There were indications that Saudi Arabia had already taken steps to prevent such a fire or to react to it.

Some theorize that President Saddam Hussein of Iraq intends to set the slick ablaze to thwart military operations by the force allied against him.

Lieutenant General Thomas W. Kelly, director of operations for the U.S. Joint Chiefs of Staff, said he felt strongly that "it's not going to have an impact on the military situation."

"We'll be able to work through it," General Kelly said.

Oil was already washing ashore on Kuwaiti beaches, destroying some marine life and birds.

West Texas Intermediate crude, the benchmark U.S. crude oil, dropped 21 cents for March delivery, to $21.50 a barrel, on the New York Mercantile Exchange on Friday.

"It just creates an enormous mess with rather frightening environmental consequences," said Pete Williams, the Pentagon spokesman.

Mr. Williams said that "several million barrels" had already been released from tankers near the Ahmadi loading complex south of Kuwait City and from an underwater valve at the huge Sea Island terminal just off shore.

The pipeline from the mainland to the offshore oil terminal is largely gravity-fed and can send as much as 100,000 barrels of oil a day into waiting supertankers, according to oil industry sources.

Marshall Thomas, editor and publisher of Oil Daily, raised the possibility in a televised interview that Iraq could link Kuwaiti wells directly to the offshore terminal and continuously drain crude oil from the wells into the sea.

Mr. Williams said the volume of the dumping so far was likely to exceed by more than a dozen times the Exxon Valdez spill in Alaska, which occurred in March 1989. In that accident, about 250,000 barrels of crude oil was released into Prince William Sound from a tanker.

The Gulf spill raised immediate concerns about contamination of desalination plants that serve Saudi Arabia and Kuwait.

"The subject of desalination plants is a concern," Mr. Williams said, but he said the threat depended on how the slick moved in coming days.

An oil industry source said the Williams Boots & Coots Co. of Port Neches, Texas, near Houston, had been contacted before the spill by Saudi authorities to provide fire fighting equipment, probably including devices capable of spreading a chemical over oil spills to prevent them from igniting.

Randy Williams, assistant to the president of Williams Boots and Coots, which specializes in alleviating oil well disasters, said in an interview that when oil spreads over water, some vapors can be ignited "very easily."

Other oil industry experts said it would probably be difficult to burn the slick.

An Exxon spokesman said analysts in Alaska had conducted test burns of the tanker spill there "with varying degrees of success."

Left alone, crude oil can eventually mix with water and emulsify, thereby becoming more difficult to set afire, an Exxon official said. As

See OIL, Page 4

Bush Condemns Spill as 'Sick' and 'Desperate'

International Herald Tribune

WASHINGTON — An angry President George Bush accused President Saddam Hussein of Iraq on Friday of carrying out a "sick," "irrational," and "desperate" act by releasing enormous amounts of crude oil into the Gulf.

"It looks desperate, it looks last-gasp," the president said. "It doesn't measure up to any military doctrine of any kind. It's kind of sick."

Mr. Bush said the Iraqi tactic would not alter U.S. and allied military strategy.

Meantime, he said, "a lot of activity" was under way to determine the best course of action to offset the spill.

The White House spokesman, Marlin Fitzwater, indicated that officials from the Energy Department, the Department of Defense and the Environmental Protection Agency were involved in the task, along with other governments.

Mr. Fitzwater said he did not know whether Iranian officials had been contacted. Iran is just across the Gulf from the source of the spill.

"Saddam Hussein continues to amaze the world," Mr. Bush said at a press conference.

In addition to employing Scud missiles as a terror weapon and using captured allied pilots as human shields against attack, Mr. Bush said, the Iraqi leader "resorts to enormous environmental damage in terms of turning loose a lot of oil."

"There's no military advantage to him whatsoever," the president said.

Mr. Bush said Mr. Hussein "clearly is outraging the world."

"I can assure you that every effort will be made to try to stop this continuing spill into the Gulf and also stop what has been done from spreading further south," he said.

Mr. Bush declined to comment on the course of action being contemplated but said "the scientists, the oil people and the military are involved in the closest consultation."

The president said a plan on how to deal with the situation

See BUSH, Page 4

The Associated Press

A U.S. Air Force F-16 pilot at a base on the Arabian Peninsula crossing his fingers for luck before a bombing mission against Iraq.

Word From Kuwait: Iraqis Are Hurting

By Caryle Murphy
Washington Post Service

RIYADH — After nine days of allied bombing, Iraqi occupation forces in Kuwait are said to be still very much in control, but suffering casualties, food shortages and a bad case of nerves, according to reports reaching here.

Although the occupied emirate is the central battlefield of Operation Desert Storm, it is difficult to assess developments there because of the blackout on news about U.S.-led allied forces' activities.

But sketchy reports, which cannot be verified, are filtering through to Kuwaiti diplomats and exiles here suggesting that the estimated 220,000 Iraqi forces in Kuwait are feeling some effects from the allied air campaign.

Several sources said that the three main hospitals of Kuwait City, Farwaniyah, Mubarak and Addan, as well as a hospital further south in Al Ahmadi, are treating many Iraqi soldiers injured in air strikes.

Iraqi troops in the capital are said to be on full alert, dressed in combat gear, but nervous and jittery. One source said the Iraqis had expressed fears about a battle with allied forces, but were afraid to speak about these apprehensions with their own officers.

While Kuwaitis are not facing major food problems, several sources said Iraqi soliders, who appear to get only one meal a day and sometimes not even that, frequently ask for food from local residents. Only a few grocery shops are open, and trucks that used to bring food into Kuwait from Iraq and Jordan have not been seen in the last week, one source said.

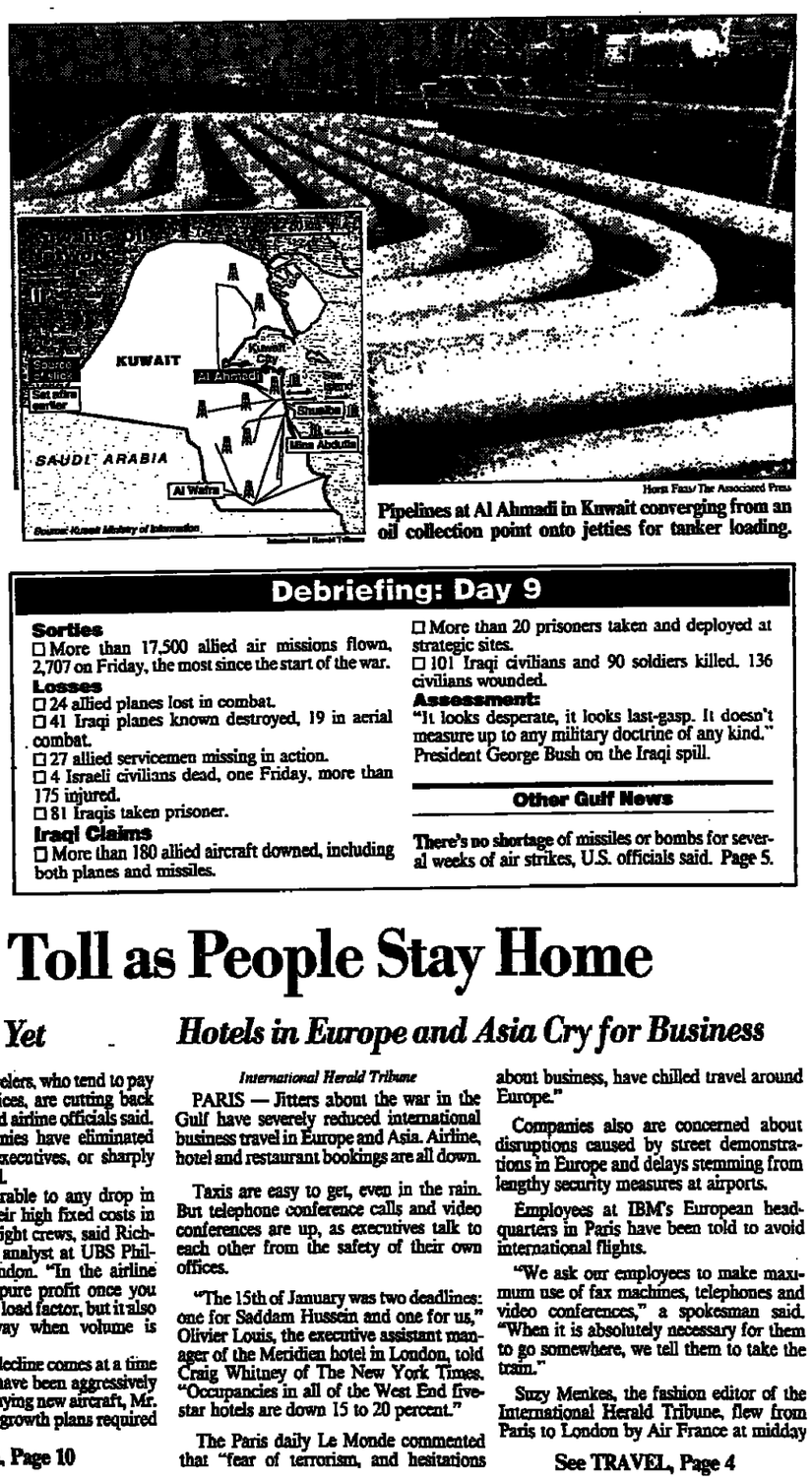
Since the war began, soldiers have confiscated hundreds of cars from Kuwaitis, sometimes demanding vehicles parked in garages at homes. One report said many cars were being parked at designated sites, apparently in anticipation of a retreat to Iraq.

Some Iraqi military camps and offices in and around Kuwait City, including a sporting club and secondary school in the suburb of Khaifan, have been bombed with a precision that impresses even the Iraqis, a source said.

"They are talking about the accuracy of the missile hits," he said. "The accuracy is so perfect."

Iraqi coastal fortifications at Messila Beach and the Shaab neighborhood of the capital have also been bombed. Other targets have

See KUWAIT, Page 4



Hans Feist/The Associated Press

Pipelines at Al Ahmadi in Kuwait converging from an oil collection point onto jetties for tanker loading.

Debriefing: Day 9

Sorties
- More than 17,500 allied air missions flown, 2,707 on Friday, the most since the start of the war.

Losses
- 24 allied planes lost in combat.
- 41 Iraqi planes known destroyed, 19 in aerial combat.
- 27 allied servicemen missing in action.
- 4 Israeli civilians dead, one Friday, more than 175 injured.
- 81 Iraqis taken prisoner.

Iraqi Claims
- More than 180 allied aircraft downed, including both planes and missiles.
- More than 20 prisoners taken and deployed at strategic sites.
- 101 Iraqi civilians and 90 soldiers killed. 136 civilians wounded.

Assessment:
"It looks desperate, it looks last-gasp. It doesn't measure up to any military doctrine of any kind." President George Bush on the Iraqi spill.

Other Gulf News

There's no shortage of missiles or bombs for several weeks of air strikes, U.S. officials said. Page 5.

Kiosk

Medellín Drug Ring Hostage Slain

BOGOTA (AP) — The Medellín cocaine network announced Friday it was renewing its war against the government after a daughter of a former president being held hostage was killed during a police rescue attempt.

The drug ring said it would renew its war against the state in retaliation for "torture, murders, disappearances and massacres" by the police.

Hours earlier, the police said that Diana Turbay, a daughter of former President Julio César Turbay Alaya, was shot to death by her abductors during a rescue attempt.

General News

The Kremlin ordered units of soldiers and police backed by armored vehicles to patrol in Moscow and major cities from Feb. 1. Page 2.

Crossword Page 7. *Weather* Page 2.

Gold NY SPOT	Oil W TEXAS NYME	The Dollar in New York		Dow Close
Up	$21.50	DM	1.4905	Up
$2.80	Down	Pound	1.9565	16.34
$375.95	$0.21	Yen	132.55	2,659.41
		FF	5.067	

Traveling Light: War Takes Its Toll as People Stay Home

SAS Slashes Staff by 16% in Most Dramatic Airline Move Yet

By Tom Buerkle
International Herald Tribune

Scandinavian Airlines System said Friday that it would slash its work force by 16 percent in the most dramatic response to date by a major international airline to the plunge in traffic resulting from the Gulf war.

Little more than a week after the outbreak of fighting, many of the West's leading international carriers — including British Airways, KLM, TWA, Iberia and Olympic — are cutting back operations because of widespread cancellations, no-shows and reduced bookings. These follow the suspension of service to Gulf cities before the war started.

The decline has been especially sharp in Europe, where several major carriers said their passenger traffic has fallen by 15 percent to 20 percent in the past week as a fear of Iraqi-inspired terrorist attacks keeps people on the ground.

But even in the United States, the war has depressed traffic and compounded the woes of an industry that already was heading for record losses in the last quarter of 1990 because of the recession, fare wars and high fuel prices following Iraq's invasion of Kuwait on Aug. 2.

"People are afraid of traveling and they think, 'We'd rather hold back,'" said Angela Günther, a spokeswoman for Swissair in Zurich.

The Swiss flag carrier expects its traffic to be off 15 percent to 18 percent in the first three months of this year, and the decline is affecting virtually all of its routes, not just those close to the fighting, she said.

The drop has been particularly painful because business travelers, who tend to pay the highest ticket prices, are cutting back the most, analysts and airline officials said. Many major companies have eliminated air travel by their executives, or sharply curtailed it, they said.

Airlines are vulnerable to any drop in traffic because of their high fixed costs in airplanes, fuel and flight crews, said Richard Hannah, airline analyst at UBS Phillips & Drew in London. "In the airline industry, you have pure profit once you reach the break-even load factor, but it also works the other way when volume is shrinking," he said.

What's more, the decline comes at a time when most carriers have been aggressively adding routes and buying new aircraft, Mr. Hannah said. Those growth plans required

See SAS, Page 10

Hotels in Europe and Asia Cry for Business

International Herald Tribune

PARIS — Jitters about the war in the Gulf have severely reduced international business travel in Europe and Asia. Airline, hotel and restaurant bookings are all down.

Taxis are easy to get, even in the rain. But telephone conference calls and video conferences are up, as executives talk to each other from the safety of their own offices.

"The 15th of January was two deadlines: one for Saddam Hussein and one for us," Olivier Louis, the executive assistant manager of the Meridien hotel in London, told Craig Whitney of The New York Times. "Occupancies in all of the West End five-star hotels are down 15 to 20 percent."

The Paris daily Le Monde commented that "fear of terrorism, and hesitations about business, have chilled travel around Europe."

Companies also are concerned about disruptions caused by street demonstrations in Europe and delays stemming from lengthy security measures at airports.

Employees at IBM's European headquarters in Paris have been told to avoid international flights.

"We ask our employees to make maximum use of fax machines, telephones and video conferences," a spokesman said. "When it is absolutely necessary for them to go somewhere, we tell them to take the train."

Suzy Menkes, the fashion editor of the International Herald Tribune, flew from Paris to London by Air France at midday

See TRAVEL, Page 4

Congress Pressures Bush to Postpone Moscow Summit

By Andrew Rosenthal
New York Times Service

WASHINGTON — It appears increasingly likely that the next Soviet-American summit meeting will be postponed, after President George Bush came under mounting pressure this week from Congress to put off the Moscow talks because of the violence in the Baltic republics, administration officials said.

After a White House meeting between Mr. Bush and Republican congressional leaders, lawmakers said the president was warned of a rising sentiment in Congress for him to take some action toward Moscow, and that postponing the summit meeting, scheduled for Feb. 11 to 13, seemed like a good way to do that.

"There was sentiment that he should not go," Representative Vin Weber, Republican of Minnesota, said of the meeting Thursday that also touched on the Gulf war and domestic issues.

The administration announced Friday that Mr. Bush would meet with the Soviet Union's new foreign minister, Alexander A. Bessmertnykh, on Monday. Marlin Fitzwater, the White House press secretary, said the two were expected to discuss the summit meeting.

Mr. Bessmertnykh also was scheduled to meet Secretary of State James A. Baker 3d on Saturday, officials said.

An administration official said Mr. Bush's initial disapproval of Soviet policy toward the Baltic republics of Latvia, Lithuania, and Estonia had hardened into a sense of "outrage" during the recent violence in the republics, which are seeking independence.

Mr. Bush said Friday that any decision on the Moscow meeting would await the outcome of the talks between Mr. Baker and Mr. Bessmertnykh.

"At that point I will take a look again at the whole problem and see what must be done, and I'm sure the Soviets will be doing the same thing," he said.

"I'm disappointed in the Soviet actions in the Baltics because the use of force is not the way to resolve that problem," Mr. Bush added.

The president said, however, that he had not lost sight of the fact that President Mikhail S. Gorbachev was "the catalyst" for much of the change in Eastern Europe and played a vital role in both the reunification of Germany and the solid international front against President Saddam Hussein of Iraq.

But he noted that Mr. Baker and Mr. Bessmertnykh had a number of unspecified problems besides the Baltics to review.

White House officials said that after initial reluctance to put off the summit meeting, primarily because of his desire not to undercut Mr. Gorbachev's position, Mr. Bush is now leaning more strongly toward a delay.

According to an administration official, Mr. Bush told the Republican lawmakers that if the summit meeting were delayed, he wanted to do so "in a way that doesn't weaken Gorbachev's position vis-à-vis those who might be more authoritarian than he is or who seek to strengthen the crackdown in the Baltics."

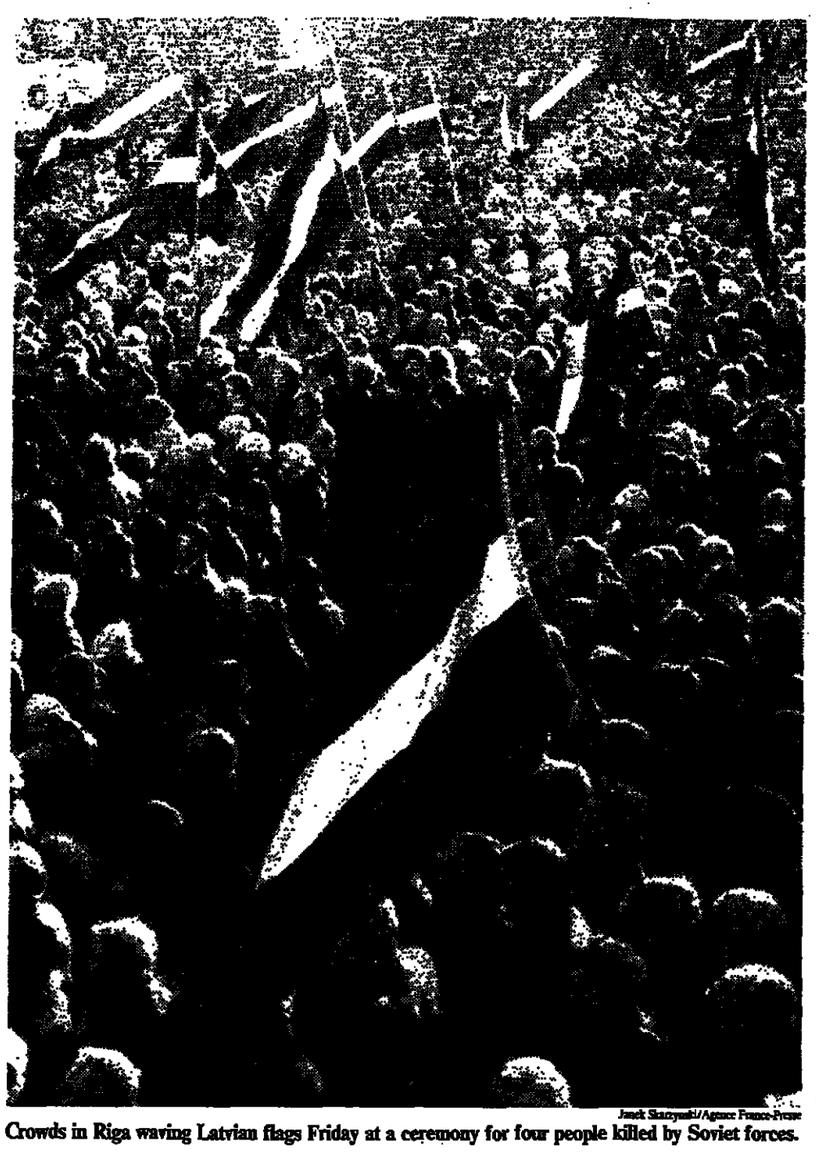
For that reason, officials said that if Mr. Bush made the final decision not to go to Moscow in February as planned, the White House would avoid citing the Baltics as the only reason.

Instead, both sides are likely to present a delay as a "mutual decision" that was also based on the war in the Gulf and on delays in arms-control talks.

The possibility that the summit meeting would be postponed was first reported by administration officials more than two weeks ago, as war in the Gulf loomed, Soviet internal tensions worsened, and negotiators from both countries remained snagged in their efforts to wrap up a treaty on reducing long-range nuclear weapons. That treaty is to be signed at the Moscow summit meeting.

The United States and the Soviet Union also are at odds over American assertions that Moscow is evading counting and verification rules in the treaty on reducing conventional weapons that was signed in November in Paris.

The White House has said there is no formal linkage between the two treaties. But officials have made it clear in private that the administration is not eager to conclude the treaty on long-range missiles while the fate of the accord on conventional arms is unsettled.



Janek Skarzynski/Agence France-Presse
Crowds in Riga waving Latvian flags Friday at a ceremony for four people killed by Soviet forces.

Moscow Plans To Ration Meat

The Associated Press

MOSCOW — Officials announced Friday that meat, grains, vodka and wine would be rationed in Moscow beginning March 1, and rumors swept the capital of impending price increases.

As a decree removing 50- and 100-ruble notes from circulation disrupted banks and commerce for a third day, the central government said it was allowing retirees a two-day extension, until Sunday, to exchange their large bills for smaller currency.

"The shelves of Moscow stores are just as empty as in other cities of the country," the newspaper Rabochaya Tribuna said. "Now, after long discussions, the Moscow City Council decided to introduce coupons for meat, lard, sausage, grains, vodka and wine."

Soviet Army to Patrol Major Cities

Troops Told to Use Armor in 'Complicated' Situations

By David Remnick
Washington Post Service

VILNIUS, Lithuania — The Soviet Defense and Interior ministries have ordered joint army and police patrols of Moscow, republican capitals, and key industrial and military cities "when the situation becomes complicated," the Kremlin announced Friday.

The order, which goes into effect Feb. 1, could provide the grounds for an extension of the current crackdown in the Baltic states to the rest of the country.

Signed Dec. 29 by Defense Minister Dmitri T. Yazov and Interior Minister Boris K. Pugo, the order authorizes the use of joint armed patrols with armored personnel carriers in the event of interference with military units or other unspecified public disturbances.

Marshal Yazov and Mr. Pugo also ordered a permanent reserve for the patrols, with armed units on duty at every garrison in the country.

In Vilnius, the Lithuanian president, Vytautas Landsbergis, declared, "This is another act of aggression."

His evaluation was echoed by the Estonian prime minister, Edgar Savisaar, who called the measure very dangerous.

An army officer and legislator in the parliament of the Russian Republic, Sergei Yushenkov, said that the order resembled a state of emergency, the independent news agency Interfax reported.

The joint order was the latest in a series of decrees that have provided military and police authorities with a legal, or quasi-legal, basis for a crackdown on the rebellious republics and radical city governments.

It said the patrols would be used in "certain demonstrations, major political events, or weekends and holidays if necessary."

The signature of President Mikhail S. Gorbachev was not on the directive.

In an interview on British television, the Latvian foreign minister, Janis Jurkens, said that the military was gaining power in the Kremlin and using Mr. Gorbachev only as a "symbol of democracy to get economic aid" from the West.

The main evening television newscast reported that that the Dec. 29 order was announced Friday only to dispel rumors about it.

The newscast described the directive as an extension of a government decree in October that officials said was issued to battle crime and harassment of military units.

Marshal Yazov and other military leaders have reacted angrily to what they see as abuse of their garrisons, especially in the Baltic republics.

The elected leaders in the Baltics have called for a complete withdrawal of Soviet forces, whom they view as an occupying army.

Marshal Yazov and Mr. Pugo, as well as the KGB chief, Vladimir A. Kryuchkov, have issued a series of decrees and public statements making clear that the Kremlin is prepared to use troops to preserve the union and centralized power.

Landsbergis Assails Army As 'A Mob Of Bandits'

By Francis X. Clines
New York Times Service

VILNIUS, Lithuania — A warning to Lithuanians to beware of indiscriminate gunfire from Soviet Army troops was issued Friday by the republic's government after the latest shooting incident in the tense standoff with Moscow.

"There's no discipline, these soldiers just flipped out," said Marcus Warren, one of three British reporters detained by the Soviet Army after tank troops fired at Lithuanian police in a highway confrontation Thursday night.

The incident, in which soldiers captured six policemen and, according to the reporters, beat them in detention, was a further sign that law and order in the Baltic republics is degenerating into an uncertain state of wayward military occupation.

"The Vilnius military garrison is becoming a mob of bandits," said the Lithuanian president, Vytautas Landsbergis, speaking from inside the barricaded parliament where he now sleeps and spends his days in fear of arrest or assassination.

The gunfire from a Soviet military convoy on its way to Kaunas followed the Soviet tank attack on the republic's television tower in Vilnius on Jan. 13, in which 14 people died.

Elsewhere in the Baltics, tens of thousands of mourners turned out Friday in the Latvian capital, Riga. They vowed to press on for independence as they attended the funeral of four people killed Sunday in a raid on the Latvian police headquarters by elite Soviet Interior Ministry troops.

The elite pro-Moscow troops, called "black berets," have backed the Latvian Communist Party's attempt to regain power from the democratically elected government.

Lithuanians fear that the Soviet Army troops in Vilnius are becoming no less aggressive in using weapons in routine patrols. Citizens were cautioned not to be out on the streets at night unless it was unavoidable.

Mr. Landsbergis said that the latest incident seemed designed to set the stage for direct Kremlin rule of Lithuania.

Communist officials in Vilnius, Riga, and the third Baltic capital, Tallinn, Estonia, have been demanding a return to power in the name of hastily concocted "salvation committees," including one here that received military backing in the deadly tank raid.

In the latest army incident, gunfire was directed from a column of 20 tanks and troop carriers at a local police car. The troops insisted that the police fired on the column; the Landsbergis government denied this as "a fairytale."

The captured police were being kept at the army barracks.

The British correspondents were released after three hours. They were unharmed, but minus $1,500 in cash, according to Mr. Warren, a Moscow correspondent of the Daily Telegraph.

No reason was given for confiscating the money, and the reporters have been unsuccessful in trying to get it back.

Poland Steps Up Soviet Border Security

The Associated Press

WARSAW — The Interior Ministry plans to tighten security along Poland's eastern border, fearing further instability in the Soviet Union, a newspaper reported.

In light of developments in Lithuania, Interior Ministry officials inspected Poland's border with the Soviet Union and ordered implementation of the security plan, Zycie Warszawy reported.

The first stage of the plan provides for building 10 to 14 new watchtowers and modernizing border patrol equipment.

Additional units of police may be deployed along the frontier, and border guards are preparing for a variety of contingencies, including the possibility that the Soviets could close the border "if martial law is introduced there," the newspaper reported Thursday.

The Interior Ministry had previously expressed fears of an influx of thousands of Soviet citizens fleeing hunger or repression, and a refugee office has been created.

In an interview Thursday with the Gazeta Wyborcza newspaper, Foreign Minister Krzysztof Skubiszewski said there was no danger of Soviet intervention in Poland.

"The changes have gone too far for a military action to change anything and to be tolerated by Western countries, especially the United States," Mr. Skubiszewski said.

He saw no immediate threat in the continuing presence in his country of two Soviet Army divisions, which he said were "of no military significance."

Mr. Skubiszewski dismissed suggestions of deadlock in negotiations to pull the 50,000 Soviet troops out of Poland and to regulate the withdrawal of 350,000 troops from eastern Germany across Poland from 1992 to 1994.

He said that the treaties were ready and that the only problem was the Polish pullout date.

Poland has demanded that the operation be completed by the end of 1991, but Mr. Skubiszewski said his position was flexible.

Post-Communist Poland has tried to walk a narrow line: balancing the need for good relations with the Soviet Union, a need dictated by economic reasons, with a wish to support independence movements.

Yugoslav Army Makes Arrests in Croatia

Compiled by Our Staff From Dispatches

ZAGREB, Yugoslavia — The Yugoslav Defense Ministry said Friday that the federal army had arrested several people suspected of organizing or arming "illegal paramilitary groups" in the northern secessionist republic of Croatia.

The Croatian parliament held an emergency session amid fears of further military intervention by Yugoslav federal troops to crush the republic's attempt to go its own way under its elected nationalist government.

The arrests were the first known direct intervention by the federal army since Croatia ignored an order to disband and disarm what the Yugoslav government calls illegal armed units by last Monday.

The Croatian leadership has said there were no such groups in the republic.

The Yugoslav Defense Ministry, which has threatening to put soldiers under combat readiness unless Croatia disarmed police forces that it mobilized last week, said the army made the arrests on Thursday and Friday.

In a statement carried by the official Tanjug press agency, the ministry said those arrested were suspected of planning terrorist acts. It did not identify those detained.

But sources close to the Croatian government said that military police had arrested Mayor Antun Habjanac of Virovitica, a Croatian town near the Hungarian border, and a member of the town government, Djuro Decak, the president of the local branch of the ruling party. They said the arrests were made early Friday.

The Croatian president, Franjo Tudjman, accused the Communist-dominated Yugoslav Army leadership attempting to stage "a form of military coup" in the republic.

Amid fears of a crackdown, the Croatian government earlier posted heavy detachments of police around key buildings, including the radio and television stations. Similar steps were taken in Slovenia, which has also been seeking greater autonomy from Belgrade.

The special session of parliament was convened as Croatia geared up to resist what officials in the republic call an attempt by federal troops to bring the eight-month government to heel and force it to disband the independent police and security apparatus set up since May.

The parliament was expected to approve legislation giving precedence to Croatian laws over federal laws. It was also expected to appeal to the federal government to ensure that the republic's sovereignty was respected by the army and other federal organs.

Efforts to resolve the crisis began in Belgrade, with Mr. Tudjman rescheduling talks he had canceled with his Marxist Serbian counterpart, Slobodan Milosevic. The eight-man Yugoslav collective presidency also planned to hold its second emergency session in less than a week.

In a brief speech to the Croatian assembly before departing for Belgrade, Mr. Tudjman repeated that Croatia was prepared to fight against military intervention.

Croatia and Slovenia, the wealthiest of the country's six republics, are demanding that Yugoslavia be converted into a confederation of independent states.

Mr. Milosevic, along with the majority of the presidency's members and the military hierarchy, which is dominated by Serbian Communists, want to preserve the federation.

On Thursday, Mr. Tudjman placed Croatian special forces on alert and ordered security to be reinforced at borders and other strategic areas.

Croatia has angered the army and federal leaders through its moves toward independence since the Communists were defeated in the republic in free elections last spring. *(Reuters, AP, AFP, UPI)*

Nikolai Talyzin, Soviet Aide, Dies

Reuters

MOSCOW — Nikolai V. Talyzin, 62, who helped launch Mikhail S. Gorbachev's *perestroika* program of restructuring in the mid-1980s, died Wednesday, Tass reported.

Mr. Talyzin was picked by Mr. Gorbachev in October 1985 to help begin the economic restructuring after spending five years as the Soviet representative to the Communist trading bloc, the Council for Mutual Economic Assistance, or Comecon. He was appointed chairman of the State Planning Committee, or Gosplan, and was made one of three deputy prime ministers.

But he was strongly criticized by Mr. Gorbachev and early in 1988 was transferred to the position of chairman of the Bureau for Social Development. In 1989, with perestroika still failing to produce the promised results, he was dismissed in a purge of conservatives.

WORLD BRIEFS

Soviet Diplomat Warns of Problems In Ratifying Two-Plus-Four Treaty

BERLIN (AFP) — Difficulties lie ahead for Soviet ratification of the Two-plus-Four treaty that opened the way to German unity, a Soviet diplomat said Friday.

Ratification "will really not be as easy as was previously thought," said the diplomat, Mikhail Logvinov, who serves as Soviet Embassy spokesman in Paris. "Many deputies think we gave away too much."

Although German reunification took place on Oct. 3, the treaty remains in suspension until the parliaments of all signatories have approved it. The Soviet Union is the only signatory that has yet to ratify the pact.

The agreement was signed in Moscow on Sept. 12 by the Soviet Union, the United States, Britain and France, plus East and West Germany. It settled the external aspects of German reunification by surrendering the Allies' residual rights over Germany and Berlin, thereby restoring full national sovereignty for the first time since May 1945.

2 Dissidents Surrender, Burma Says

RANGOON (Reuters) — Burma's military leaders said Friday that two dissidents who last month helped set up a rival government in the jungle had surrendered. Friends of the pair said they had been kidnapped.

Major General Khin Nyunt, secretary of the military council that has governed Burma under martial law for two years, said Than Kywe and Myint Aung had surrendered to the Burmese Embassy in Bangkok earlier this month.

A spokesman for the rival government said the two had been kidnapped while in Bangkok for medical treatment on Jan. 19. One source said they were flown back to Rangoon on Thursday. The National League for Democracy, the opposition party, has been barred from forming a government despite a landslide election victory in May.

Strike in Eastern Germany Grows

BERLIN (AFP) — Thousands of workers in the shipbuilding and car industries in the eastern part of Germany went on strike Friday, joining a stoppage by postal workers, to press for higher pay or lobby against threatened job losses.

The postal workers' union said that 7.5 million letters and parcels have piled up in sorting offices in eastern Germany since the strike began Thursday. The union's 130,000 members in the former territory of East Germany are demanding a month's bonus.

At Rostock, on the Baltic Sea, more than 4,000 workers at the Neptun shipyard put down tools for one hour to protest a study recommending the closing of their 150-year-old facility. At Eisenach, in Thuringia, employees at the Wartburg car plant staged a one-hour blockage of a nearby highway. The government wants to close the Wartburg works, which provides 17,000 jobs in the region, next Friday.

Doctors Find Multiple Sclerosis Link

PORTLAND, Oregon (AP) — A new treatment helped rats fight a disease similar to multiple sclerosis, and researchers said they will begin trials of the treatment next month on 10 patients with the disease, for which no cure is known.

Doctors treated the rats with a protein fragment, or peptide, that induced the rats' immune systems to fight the disease, called experimental autoimmune encephalomyelitis. Dr. Arthur Vandenbark and Dr. Halina Offner, researchers at the Portland Veterans Affairs Medical Center, and Dr. George Hashim of St. Luke's-Roosevelt Hospital in New York published their findings in Friday's issue of the magazine Science.

Dr. Vandenbark said improvements were seen in the rats within 48 hours after the peptide was administered. He said the rat disease produced symptoms similar to those of multiple sclerosis, which in humans can cause loss of muscle control. One theory holds that multiple sclerosis, which generally afflicts people between the ages of 20 and 40, occurs when the body's immune system mistakenly attacks nerve tissue in the brain and central nervous system.

Papua Rebels Take Issue With Treaty

SYDNEY (Reuters) — Secessionist rebels from the island of Bougainville in Papua New Guinea cited reservations Friday about a peace treaty they signed two days earlier with the government.

Rebel sources in Honiara, in the Solomon Islands, where the accord was signed on Wednesday, said they never agreed to destroy their weapons even though this was part of the treaty. The clause should have been removed from the treaty's final draft, rebel negotiators said.

Diplomats in the Papua capital, Port Moresby, and in Australia said the treaty was destined to come under great pressure from both sides. The accord calls on the Bougainville rebels to disband their army in return for immunity from prosecution and a pledge that government forces will not return to the island.

Malaysia to Shut Vietnamese Camp

KUALA LUMPUR (Reuters) — Malaysia, toughening its stand on Vietnamese migrants, has ordered the closure of an island refugee camp near its northeastern coast, diplomatic and refugee officials said Friday.

The sources said the Malaysian government had sent a letter to the United Nations High Commissioner for Refugees in early December and then told the commission orally that the Pulau Bidong camp would be closed from April 30. The commission's representative in Malaysia, Shamsul Bari, confirmed in a telephone interview that he had received the letter but declined to give details of the closure.

He said the camp housed about 13,000 people who eventually would be transferred to the Sungei Besi camp near Kuala Lumpur. Sungei Besi, which is intended for those awaiting resettlement, currently has 3,000 inhabitants. It was designed to house 7,000.

For the Record

Jiang Zemin, the chairman of China's Communist Party, is expected to visit Moscow in May at the invitation of President Mikhail S. Gorbachev, diplomats said Friday. *(Reuters)*

U.S. and South Korean armed forces will begin their annual joint exercise this month, with about a 30 percent reduction in troops, military spokesmen said on Friday. *(Reuters)*

TRAVEL UPDATE

Hong Kong's flagship, Cathay Pacific Airways Ltd., will resume flights to and from Dubai, in the United Arab Emirates, beginning Sunday. Cathay suspended flights to Dubai on Jan. 17. *(Reuters)*

WEATHER

EUROPE

	HIGH C	HIGH F	LOW C	LOW F	
Amsterdam	5	41	-2	28	c
Athens	17	63	7	45	s
Barcelona	11	52	3	37	s
Belgrade	3	37	-1	30	sn
Berlin	3	37	-1	30	sn
Brussels	5	41	-2	28	r
Budapest	4	39	-1	30	sn
Copenhagen	6	43	1	34	r
Costa Del Sol	14	57	9	48	s
Dublin	6	43	2	36	r
Edinburgh	5	41	-1	30	r
Faro	15	59	7	45	s
Florence	11	52	2	36	r
Frankfurt	4	39	-1	30	sn
Geneva	6	43	-2	28	sn
Helsinki	0	32	-4	25	c
Las Palmas	19	66	14	57	s
Lisbon	12	54	7	45	s
London	7	45	1	34	r
Luxembourg	3	37	-1	30	sn
Madrid	2	36	-1	30	sn
Milan	7	45	-1	30	r
Moscow	-4	25	-8	18	sn
Munich	4	39	-1	30	sn
Nice	13	55	4	39	s
Oslo	0	32	-4	25	c
Paris	5	41	-2	28	r
Prague	2	36	-3	27	sn
Reykjavik	3	37	0	32	r
Rome	12	54	2	36	s
Stockholm	0	32	-3	27	c
Strasbourg	6	43	-2	28	sn
Venice	7	45	-2	28	c
Vienna	4	39	0	32	sn
Warsaw	-1	30	-7	19	sn
Zurich	-1	30	-2	28	sn

MIDDLE EAST

Cairo	14	57	9	48	r
Istanbul	6	43	1	34	r
Kuwait	—	—	—	—	na
Riyadh	—	—	—	—	na
Tel Aviv	—	—	—	—	na

OCEANIA

Auckland	—	—	—	—	na
Sydney	30	86	22	72	fr

ASIA

	HIGH C	HIGH F	LOW C	LOW F	
Bangkok	34	93	25	77	s
Beijing	7	45	-7	19	c
Hong Kong	19	66	16	61	sh
Manila	29	84	18	64	s
New Delhi	22	72	11	52	s
Seoul	0	32	-9	15	sn
Shanghai	6	43	4	39	r
Singapore	27	81	24	75	r
Taipei	19	66	15	59	r
Tokyo	14	57	3	37	r

AFRICA

Algiers	—	—	—	—	na
Cape Town	30	86	17	63	s
Casablanca	16	61	5	41	s
Harare	29	84	14	57	s
Lagos	—	—	—	—	na
Nairobi	25	77	13	55	s
Tunis	14	57	3	36	s

LATIN AMERICA

Buenos Aires	—	—	—	—	na
Lima	22	72	18	64	r
Mexico City	23	73	9	48	s
Rio de Janeiro	29	84	23	73	s

NORTH AMERICA

Anchorage	—	—	—	—	na
Atlanta	—	—	—	—	na
Boston	-13	9	-18	0	sn
Chicago	—	—	—	—	na
Denver	-1	30	-11	12	sn
Detroit	-6	21	-17	1	sn
Honolulu	26	79	19	66	s
Houston	16	61	2	36	s
Los Angeles	17	63	9	48	s
Miami	27	81	16	61	s
Minneapolis	-11	12	-18	0	sn
Montreal	-14	7	-18	0	sn
Nassau	29	84	24	75	r
New York	-3	26	-8	18	sn
Phoenix	21	70	7	45	s
San Francisco	15	59	7	45	s
Seattle	5	41	-1	30	r
Toronto	-9	16	-14	7	sn
Washington	1	34	-5	23	sn

c-cloudy; fo-foggy; fr-fair; h-hail; o-overcast; pc-partly cloudy; r-rain; sh-showers; sn-snow; st-stormy.

SATURDAY'S FORECAST — CHANNEL: Slight. FRANKFURT: Cloudy. Temp. 6 — 1 (43 — 30). LONDON: Cloudy. Temp. 5 — 1 (41 — 34). MADRID: Cloudy. Temp. 14 — 1 (57 — 30). NEW YORK: Not available. PARIS: Cloudy. Temp. 1 — 4 (34 — 25). ROME: Cloudy. Temps. 13 — 1 (55 — 30). TEL AVIV: Not available. ZURICH: Cloudy. Temp. 1 — 7 (34 — 19). BANGKOK: Showers. Temp. 33 — 24 (91 — 75). HONG KONG: Cloudy. Temp. 17 — 15 (63 — 59). MANILA: Fair. Temp. 31 — 20 (88 — 68). SEOUL: Cloudy. Temps. 2 — 1 (36 — 34). SINGAPORE: Cloudy. Temp. 28 — 24 (79 — 75). TOKYO: Fair. Temp. 10 — 2 (50 — 36).

RELIGIOUS SERVICES

DUSSELDORF
CHRIST CHURCH (Anglican) S.S. and Services 11:00, All Denominations are welcome. Rotterdam Str. 135, Tel. 0211/452759

MUNICH
INTERNATIONAL COMMUNITY CHURCH, Evangelical Bible Believing, services in English 4:30 p.m. Sundays at Enhuberstr. 10. (U2 Theresienstr.), (089) 850-8617.

PARIS and SUBURBS
THE AMERICAN CATHEDRAL (Episcopal-Anglican). Sun. 9 & 11 a.m. Sunday School for children and nursery care at 11 a.m. 23 ave. George V, Paris 8. Tel.: 47 20 17 92. Metro: George V or Alma-Marceau.

HOPE INTERNATIONAL CHURCH (at La Chapelle Evangélique, La Défense CNIT Center), Sun. 9:45 a.m. with Sun. School for children. Evangelical & for everyone. Metro: RER (A) La Défense. Parking: Défense 4. Fri. 7:30 p.m. home Bible studies. Call Pastor Henry Passonen: 47 73 53 54.

MONTE CARLO
INT'L FELLOWSHIP, 9 Rue L. Notari. Sunday Bible Hr. (all ages) 9:45 a.m. Worship 11 a.m. & 6 p.m. Tel.: 93.25.51.51 or 93.25.31.15.

MONTPELLIER
ENGLISH SPEAKING SERVICE organised by Eglise Réformée Evangélique every Sunday 6 p.m., 5 rue Augustine. Tel.: 67 52 82 01. All welcome.

EUROPEAN BAPTIST CONVENTION

BERLIN
BERLIN BAPTIST CHURCH, Rothenburgstr. 13, 1000 Berlin 41, SS 1045, W 1200 + 1900. Tel.: 030-774-4670.

COPENHAGEN
The INTERNATIONAL BAPTIST CHURCH meets at Boggesvangade No. 7, each Sunday; 1 p.m. Phone: 31 38 51 38.

HAMBURG
INTERNATIONAL BAPTIST CHURCH OF HAMBURG meets at TABEA FESTHALLE, Am Isfeld 19, Hamburg-Osdorf. Bible Study at 11:30 & Worship at 12:30. Tel.: 040/820616.

FRANKFURT
INTERNATIONAL CHRISTIAN FELLOWSHIP of the Taunus (Member European Baptist Convention), Sodenerstr. 11-18, 6380 Bad Homburg. Sundays 9:45. Tel.: 06171-54889 or 06134-23278.

HOLLAND
TRINITY BAPTIST S.S. 9:30, Worship 10:30, nursery, warm fellowship. Meets at Bloemcampioen 54 in Wassenaar. Tel.: 01751-78024.

MUNICH
INTERNATIONAL BAPTIST CHURCH OF MUNICH, München 83, Schumacherring 24. English Language Services. Sunday School 12:00. Worship Service 1:00. Pastor's phone: 690 8534.

PARIS and SUBURB
EMMANUEL BAPTIST CHURCH, 56 Rue des Bons-Raisins, Rueil-Malmaison. An evangelical church for the English speaking community located in the western suburbs. S.S. 9:45; Worship 10:45. Children's Church and Nursery. Dr. B.C. Thomas, pastor. Call 47.51.29.63 or 47.49.15.29 for information.

PARIS and SUBURB
INTERNATIONAL BAPTIST FELLOWSHIP. 6:30 p.m., 123 av. du Maine. M° Gaîté. Near the Tour Montparnasse. The evening service of Emmanuel Baptist Church. Call 47.51.29.63 or 47.49.15.29.

ZURICH
INTERNATIONAL BAPTIST CHURCH of Wädenswil (Zurich), Switzerland, Rosenbergstrasse 4. Worship Services Sunday mornings 11:00. Tel.: 720-2762.

ASSOC. OF INT'L CHURCHES IN EUROPE & MID. EAST

BERLIN
AMERICAN CHURCH IN BERLIN, cor. of Clay Allee & Potsdamer Str., S.S. 9 a.m., Worship 10.30 a.m. Tel.: 030-8132021.

BONN
AMERICAN PROTESTANT CHURCH, Sunday School 9:30 a.m., worship 11 a.m., Kennedy-Allee 150. Tel.: 0228 - 37 41 93

BRUSSELS
The American Protestant Church, Worship 10:30 a.m. Kattenberg, 19 (at the Int. School). Tel.: 673.05.81. Bus 95. Tram 94.

FRANKFURT
TRINITY LUTHERAN CHURCH, Nibelungen Allee 54 (U-Bahn 5), S.S. 9:45, worship 11 a.m. Tel.: (069) 599478.

GENEVA
EV. LUTHERAN CHURCH of Geneva, 20 rue Verdaine. Sunday worship 11:00. Tel: (022) 20.50.89.

ISTANBUL
UNION CHURCH mtg in the Dutch Chapel at Netherlands consulate on Istiklal Cad. Sun. 9:30 & 11:00. Tel.: (90-1) 144-5212.

LONDON
AMERICAN CHURCH in London at 79 Tottenham Court Road, London W1, SS at 9:45 a.m. & worship at 11 a.m. Goodge street tube. Tel.: (01) 580 2791.

OSLO
American Lutheran Church, Fritznersgt. 15 Worship & Sunday School 10 a.m. Tel.: (02) 44.35.84.

PARIS
AMERICAN CHURCH IN PARIS. Worship 11:00 a.m. 65, Quai d'Orsay, Paris 7. Bus 63 at door, Metro Alma-Marceau or Invalides.

STAVANGER
INTERDENOMINATIONAL CHURCH Sunday worship 9:30 a.m. The Helland Church, Storhaugvn. 2. Tel.: (04) 564843.

STOCKHOLM
EMMANUEL CHURCH, Kungsterng. & Birger Jarl. Friendly Christian fellowship. English, Swedish & Korean. 11:00. Tel.: 46-8 151225 & 309803.

UNITED CHRISTIAN CONGREGATION. Santa Klara Church, Östra Kyrkogata 8, English service 10:00. Tel.: +46-8-723 3029.

WARSAW
WARSAW INTERNATIONAL CHURCH, Protestant English language expatriates, Sundays 11:00 a.m. (Sept.-May), 10 a.m. (June-Aug.). UL. Piekna 14 A. Tel.: 43-29-70.

ZURICH
INTERNATIONAL PROTESTANT CHURCH English speaking, worship service, Sunday School & Nursery, Sundays 11:30 a.m., Schorrengasse 25. Tel.: (01) 2625325.

TO OUR READERS IN SWITZERLAND
It's never been easier to subscribe and save. Just contact us at our Zurich office. Phone: (01) 481 7200 Fax: (01) 481 8288

هكذا من الأصل

WAR IN THE GULF: The state of Iraqi defectors hints at Iraqi weakness, but officials say it is too early to say how badly the army has been hurt

Greg English/The Associated Press

U.S. Army soldiers atop their tank Friday at a convoy point in the Saudi Arabian desert. They were advancing toward the front lines.

Storm Said to Block Air Strike on Hussein

By Barton Gellman
Washington Post Service

WASHINGTON — Allied intelligence officials believed they had pinpointed the whereabouts of President Saddam Hussein of Iraq one night last week and warplanes were dispatched to the site, but the storm front that blew across central Iraq prevented the bombers from striking, according to a senior U.S. government official.

"We didn't get to cross the target," the official said, using military parlance for reaching the point of attack.

The aborted mission was part of a broader effort to "decapitate" Iraq's armed forces by severing the links between echelons of command.

Bush administration officials have freely described strikes at Baghdad's instruments of command and control as part of the overall effort to drive Iraq out of Kuwait. But they have been reluctant to confirm that Mr. Hussein is personally a target. Administration and congressional officials attribute that reluctance to doubts about the prospects for success, fears of a political backlash and disagreements over the legality of targeting any one man in a war.

[In Riyadh, Major General Robert B. Johnston denied the report, saying it "sounds like speculative reporting." The Associated Press reported. "We have not sought him out personally," he said.

[Asked about the report, a Pentagon official said Friday, "We go after command and control targets and if he happens to be there, great."]

Command and control is a target in any war, but U.S. analysts said it is particularly vital against Iraq. Built on a centralized Soviet model, the analysts said, Iraq's lines of communication and authority tend to run directly to the top. Where U.S. commanders are taught to take initiative in the absence of orders from superiors, Iraqi forces are thought to fight poorly in any unit smaller than a division.

The capacity of top Iraqi commanders to receive "real time" information and maintain operational control over their forces has been a top priority target from the first day of the war. Officials said specific targets include the bunkers shielding top commanders, the radars and other means of "seeing" the enemy, and communications equipment, ranging from buried fiber optic cables and microwave dishes to telephone switching stations and radio antenna.

In practice, officials acknowledge, those targets include most of the places where Mr. Hussein is likely to be. But last week's mission, details of which could not be learned, is the only one known in which Mr. Hussein was thought to be present at the time and place of an intended attack.

President George Bush and Defense Secretary Dick Cheney, using identical language, have consistently denied that allied bombers are "targeting any individual."

Command and control cannot be destroyed, officials said, because communications networks are redundant and orders can always be transmitted somehow, if only by couriers on foot.

"In extremis," said Lieutenant General James Ahmann, a retired U.S. Air Force commander, "they can send somebody out to say, 'Hey guys, launch two Scuds against Dhahran in four hours.'"

Attacks on command and control, according to a Pentagon official, aim primarily to force Mr. Hussein to use means of communication "that are easier to detect, so you can jam them or listen to him, whichever you want to do."

Another objective is to deprive top Iraqi commanders of "real time" intelligence, or up-to-the-second information about the course of battle. It does little good for air defense commanders, for example, to learn hours or even minutes after the fact that U.S. warplanes have staged a raid on an Iraqi position.

General Colin L. Powell, chairman of the Joint Chiefs of Staff, appeared to suggest in a briefing last week that practical difficulties were the principal reason for not targeting Mr. Hussein "per se."

Referring to embarrassing delays in the search last year for Manuel Antonio Noriega in Panama, General Powell said he had "learned from previous experience how difficult it can be to track a head of state in whom you might be interested."

U.S. officials said a Central Intelligence Agency task force had coordinated an effort to identify and locate Mr. Hussein's electronic "fingerprints," or the characteristic patterns of movement and communication that accompany his travel around Iraq. The effort has succeeded only intermittently.

Mr. Hussein, according to officials, travels primarily at night, and uses look-alikes as decoys, complete with caravans of official vehicles and armed guards. Some officials said the Iraqi leader has moved to residential areas as a refuge against allied attacks.

Most Iraqi command centers, officials said, are deep underground in bunkers linked by buried communication cables. Iraq has shown resourcefulness, they said, in restoring links that were damaged in the first waves of bombing.

Because Mr. Hussein announced before the war began that he had assumed personal command of his army, and because Iraqi television footage shows him wearing the uniform of a field marshal, several international lawyers interviewed Thursday said he had made himself a legitimate target.

Allies Press Air War as Convoys Advance

Compiled by Our Staff From Dispatches

RIYADH — Allied forces stepped up the air war on Friday, launching the highest number of missions since the war started, while long allied convoys heading to the Kuwaiti border marked a continuing buildup toward a ground war.

Indications of weakening Iraqi resistance were bolstered by the arrival of Iraqi defectors covered in lice and complaining of hunger. But senior officials warned that the assessment of days of bombing of Iraqi troop concentrations was not complete enough to say how badly the army had been hurt.

"He seems impervious to suffering," said Sir David Craig, the air marshal who is head of Britain's defense staff in London, referring to President Saddam Hussein.

In Washington, Lieutenant General Thomas W. Kelly of the Joint Chiefs of Staff said good weather above the skies of Iraq and Kuwait allowed for the busiest day of the air campaign, with 2,707 individual missions or sorties. He said no planes were lost.

Supporting assertions that Iraqi troops were taking heavy punishment from aerial bombardment, U.S. military officials said about 30 Iraqis, mainly enlisted men, had deserted to U.S. forces since the onset of the war Jan. 17, many complaining of hunger.

Major General Robert B. Johnston said that a "large number" of the deserters and 81 captured Iraqis were covered with lice and that some had open sores. He said some reported that they had "pretty slim rations," with a few saying they were down to one meal a day.

General Johnston said he considered these details "some indication of the conditions they're experiencing on the other side of the wire."

Desertions are being encouraged by leaflets distributed to Iraqi troops both before and after the war began. One pamphlet carries the flags of the nations that have sent naval or ground forces to the anti-Iraq coalition, a source said. On the other side of the paper is a cartoon drawing of a tiny Iraqi soldier facing a much larger, brawnier soldier from the allied forces.

Officials in Turkey said 20 Iraqi soldiers, including two Republican Guards, had defected there.

General Kelly, however, said he doubted that it would be possible to obtain much strategic information from defectors and prisoners.

"My guess is that they will know very little," he said.

Sir Peter de la Billiere, the lieutenant general who is commander of British forces in the Gulf, said Iraqi troops in Kuwait were tied down with mine fields in front of them and Republican Guards behind them. But he added, "A substantial number of Iraqis would like to see the end of this war before they are dead."

U.S. Marine 155mm artillery pounded Iraqi positions in Kuwait for the second time in three days, a pool report said.

It said one barrage was intended to destroy an Iraqi rocket battery that had attacked the Saudi border city of Khafji and nearby Marine positions over the last week.

Strings of trucks laden with matériel and fuel to support allied ground troops clogged highways to the Saudi-Kuwaiti border, and reports of sporadic skirmishes filtered out of occupied Kuwait.

Reports coming from eastern Saudi Arabia said a U.S. Army ammunition truck caught fire and exploded on a major Saudi highway earlier this week, blocking U.S. military convoy traffic for two hours. U.S. military officials said there was no evidence of terrorism.

The ammunition truck, attached to the 82d Airborne Division, caught fire and exploded in a series of bright orange blasts of 105mm howitzer shells and .50 caliber machine gun ammunition Tuesday.

No injuries were reported, but traffic was stopped in both directions for two hours, the reports said.

In London, the armed forces minister, Archibald Hamilton, said that if Iraq used chemical weapons against allied forces, there would be a "massive retaliation" that would be devastating for Iraq.

He declined to give details about what that retaliation might be.

If the Iraqi Army stands to a man and fights, he said, the conflict is going to be "long, drawn-out and bloody."

"If they don't and resistance crumbles," Mr. Hamilton added, "it may be over much more quickly than anybody imagines."

The French armed forces chief of staff, General Maurice Schmitt, said Friday that a week of bombing had virtually destroyed Iraq's nuclear weapons potential and had reduced its chemical arms capacity by three-quarters.

He said there was no evidence that Iraq could install chemical weapons on Scud missiles, but added that they could still be delivered by aircraft or artillery.

(AP, Reuters, NYT, AFP)

Iraq Halts POW Broadcasts

Baghdad Says It May Show Pilots at 'Appropriate Time'

By Alan Cowell
New York Times Service

AMMAN, Jordan — Iraq said Friday that it had ceased screening television interviews with captured allied pilots "until further notice" but that the practice — widely condemned in the West — would resume "at the appropriate time."

Baghdad radio, quoting a spokesman for the Information Ministry, offered no explanation for the announcement, which came shortly after the government controlled station rebroadcast interviews with three U.S. airmen shown earlier this week on Baghdad television.

The United States and other Western countries have accused Iraq of violating international agreements on the treatment of war prisoners, but Baghdad dismissed the criticism.

In the radio broadcast, the Information Ministry spokesman said only, "The number of interviews screened so far is considered sufficient until further notice."

There was no indication from the tone or the content of the broadcasts Friday that the announcement reflected any softening of Iraq's attitude toward Westerners, routinely described as aggressors, racists, villains and evil ones.

The radio's function is largely to try to bolster Iraqi and Arab morale and to offer an alternative version of events in the war for the benefit of those who regard President Saddam Hussein as an Arab hero.

The radio's tone is generally bellicose.

"Total defeat will be inflicted on all the evil aggressors without exception, beginning with war criminal, racist and fascist Bush and the well-known fascist Shamir, and ending with all the midget traitors who are allied with the enemies of the nation," the radio quoted Ath Thawra newspaper as saying on Friday.

It called Prime Minister John Major of Britain an "ally of the devils."

In its broadcasts Friday, the radio said one more British pilot had been captured after his plane was brought down over the southern city of Basra while it was "targeting civilian areas."

Much of the station's recent output has been devoted to assertions that the allied war effort is harming civilians. The broadcasts also have sought to ridicule American and allied explanations of the course of the war.

The allies, the radio said, had sought to attribute "their bad luck in their missions over Baghdad and the military targets" to bad weather, while the "brutal facts" were that Iraq's air defenses and resolve had "destroyed the illusion" of allied air superiority.

■ 10,000 Casualties Alleged

An Iraqi resistance movement said Friday that allied bomb attacks had killed or wounded nearly 10,000 Iraqi troops and that mutinies by some army units were likely, The Associated Press reported from Nicosia.

The Kurdistan Democratic Party, a longtime opponent of the Iraqi president, said its sources in Iraq reported that the military authorities were refusing to hand over the bodies of slain soldiers to their families.

Instead, it said, the dead were being buried in mass graves to minimize morale problems on the home front.

"Thousands of deserters and draft dodgers are hiding in the countryside," the group said. "Although security forces are still in control, security lapses are developing because of the general state of confusion. We anticipate a mutinous action by certain army units calling on Saddam Hussein to stop the bloodshed and destruction."

The Kurdish group, which maintains an office in London, has extensive contacts in Iraq, and its information often has proved reliable in the past.

Its casualty estimate contrasted with the 90 military deaths announced by Iraq.

A Report of Iraqi Executions

Compiled by Our Staff From Dispatches

MOSCOW — The independent Interfax news agency quoted Soviet Defense Ministry sources Friday as saying that President Saddam Hussein of Iraq had ordered the execution of the generals in charge of his air force and air defense command because of major Iraqi losses in the Gulf war.

A Soviet Defense Ministry spokesman denied the report, which also was denied by the Iraqi Embassy's press attaché.

"It is part of the psychological war against Iraq," the attaché said.

Interfax, quoting "well-informed military sources," said that Mr. Hussein ordered the executions after U.S.-led forces launched massive air strikes on Jan. 17.

The agency's diplomatic correspondent said, "The cause of the executions was the destruction of 26 Scud missiles out of 100 which Iraq has available and the destruction of 300 aircraft out of 700."

An Interfax editor said the executions took place a few days ago.

"We have confirmation of this from several sources," he said.

In Saudi Arabia, Major General Robert Johnston of the U.S. Marines said at a press briefing, "We have nothing to substantiate that."

Interfax, which was founded in 1989 as a Soviet-French-Italian joint venture, has established a reputation as a more objective news source than the official Tass press agency. It was shut down by the Soviet authorities earlier this month, but reopened with the help of the Russian leader, Boris N. Yeltsin. Since then it has published a number of reports that have not been substantiated.

In London, Sir David Craig, Britain's military chief, was asked about the Interfax report and said he could not confirm it.

"But we do have reports over recent weeks," he said, "that Saddam Hussein has taken very abrupt action against those commanders who have not found favor with him."

Before the war began, the Iraqi Air Force commander was Lieutenant General Muzahim Saab Hassan. There has been no reference to an air defense commander.

During the Iraq-Iran war, Mr. Hussein ordered the arrest or execution of field commanders who failed to carry out his orders or suffered major defeats.

(Reuters, AP)

The Analysts' View: Day 9

Four strategists pick the major development in the last 24 hours of the war.

Robert Hunter | François Heisbourg | Ze'ev Schiff | Abdul-Karim Abou-Nasr

ROBERT E. HUNTER
Vice president of the Center for Strategic and International Studies in Washington.

As the initial drama of the conflict begins to abate, Americans are beginning to focus on the tie between war aims and war termination, and the debate about peace is likely to be as vigorous and divisive as the run-up to war. Already, "geomechanics" are devising schemes for the Middle East's future, as though anything will be possible; but many of these schemes risk beggaring history, culture and regional politics.

FRANÇOIS HEISBOURG
Director of the International Institute for Strategic Studies in London.

Politicians of the coalition are lowering their expectations, possibly with the hope of benefiting from an outcome that would be more prompt and less painful than expected. Notwithstanding operational secrecy and the habitual tug-of-war shrouding the details of the coalition's accomplishments in the air war, it is fair to say that:

- The coalition's air forces are pursuing their operations relentlessly with lower losses than forecast. The increase in sorties indicates a shift to targets close to Saudi borders.
- The level of Iraqi air and missile activity is reminiscent of Nazi Germany's last gasps in World War II.
- The focus of the war is now moving to the area of future ground operations.

ZE'EV SCHIFF
Military editor of the Tel Aviv daily Ha'aretz.

One of Saddam Hussein's notable failures has been his inability, so far, to draw Israel into the war. Israel has thus become a buffer state with the power to determine both Jordan's involvement in the war and the durability of the American-Arab coalition. The government of Israel would not be up to this role were it not for the staying power of the Israeli people, who have displayed maturity and refrained from pressuring their leaders into mounting an untimely retaliatory action.

ABDUL-KARIM ABOU-NASR
Editor and political commentator with leading Arab publications since 1965; now working with a Kuwaiti daily, Al Qabas.

In announcing that the Gulf war could last for months, Washington sought to signal Baghdad that the allies were ready for a prolonged war — and, in fact, prepared to face any possible scenario. It reflects a realistic assessment of Iraqi tactics and also U.S. optimism that the coalition can withstand the strains. The statement also suggests that allied forces intend to delay a ground war for several weeks while air power continues to inflict damage on Iraqi forces.

Masked Gunmen Assassinate Imam Of Israeli Mosque

Compiled by Our Staff From Dispatches

JERUSALEM — Masked gunmen opened fire from a car Friday, killing the imam of the grand mosque at Jaffa and his brother, the police said.

Imam Josef A-Shur and his brother, Chamis, came under a hail of automatic gunfire after Friday prayers, according to the police chief, Moshe Mizrachi. He said the men had been walking in the street in Jaffa, which adjoins Tel Aviv.

"Masked assailants, who apparently knew the route they usually take, hit them with automatic weapons and fatally shot them," Mr. Mizrachi said. "They were dead on arrival at hospital."

The police said that three suspects had been arrested.

(AFP, Reuters)

Pakistani, in Jordan, Calls for Iraqi Pullout

Reuters

AMMAN, Jordan — Pakistan's prime minister, arriving here Friday after a visit in Damascus, said that Baghdad would have to withdraw from Kuwait to stop the Gulf war. The minister, Nawaz Sharif, is under pressure at home to remove his troops from the Western alliance against Iraq.

"We want an end to the bloodshed of the innocent Muslims," said Mr. Sharif, who is on a regional tour to explore prospects for peace. "I think the only answer lies in the war coming to an end. That is only possible if Iraq pulled out its troops from Kuwait."

Iran Leader Says Allying With Iraq Would Be Suicide

Reuters

TEHRAN — President Hashemi Rafsanjani said Friday that it would be suicidal for Iran to join Iraq in the Gulf war.

In his strongest public defense of Iran's neutrality, Mr. Rafsanjani told worshipers at a mass prayer meeting that both sides in the conflict were unworthy of support.

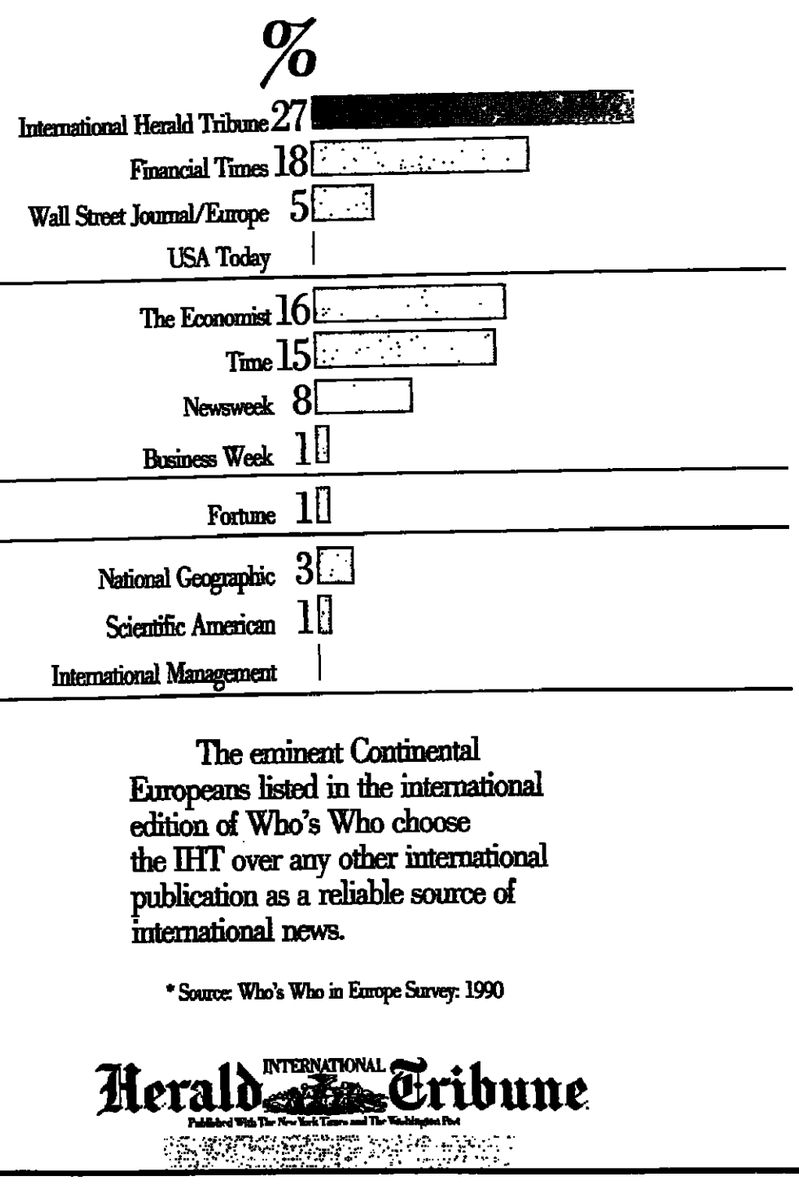
"If we help Iraq it would mean that they stay in Kuwait, that they have borders with us almost all the way to the Hormuz Strait and that the Persian Gulf would be turned into the Arabian Gulf," Mr. Rafsanjani said.

"Is this not suicide in your view?" he said in a sermon broadcast on Tehran radio.

THE ULTIMATE LUXURY ****
ALL SUITE HOTEL AND
WINTER RATES RESTAURANT
46, avenue George V - Paris.
Prestigious suites, a charming restaurant, a room service, a beautiful inner garden, private parking... Take advantage of our "Winter rates" and reserve one of our superb suites.
Rooms from 1.000 FF
Suites from 1.675 FF
Enjoy a better quality of life.
Relais CARRÉ D'OR
TEL. (1) 40 70 05 05 - Fax (1) 47 23 30 90 - Télex 648 961

REACHING THE EUROPEAN LEADERSHIP

Most reliable source of international news*



The eminent Continental Europeans listed in the international edition of Who's Who choose the IHT over any other international publication as a reliable source of international news.

* Source: Who's Who in Europe Survey: 1990

International Herald Tribune
Published With The New York Times and The Washington Post

WAR IN THE GULF: With an eye out for clouds, the experts say, Iraqis are using overcast skies as a tool in their Scud strategy

Weathermen See Pattern In Iraq's Scud Attacks

Compiled by Our Staff From Dispatches

NEW YORK — Iraq tends to fire its Scud missiles at Israel and Saudi Arabia under low-lying cloud cover, according to meteorologists.

Military experts said the Iraqis appeared to be using the clouds to make the mobile Scud launchers harder to find. The launchers are most vulnerable to detection right after a missile firing.

On Wednesday, launching areas for Scuds in western and southern Iraq were periodically covered by low clouds. Missiles were launched from both areas, the western site firing at Israel and the southern site at Saudi Arabia.

Israel was attacked with missiles for a fifth time Friday night, and the weather conditions appeared to be similar.

"There's a pretty good correlation," said Paul Knight, a meteorologist at Pennsylvania State University. "Evening or early night cloud cover seems to correspond with the likelihood of an attack."

If correct, the weather link could provide early warning of increased risk of attack for nations subject to Iraq's barrage. It could also help explain why eradication of the Scuds has been so difficult.

A Pentagon spokesman said Thursday the military would have no comment on the possible link.

In Jerusalem, the army announced Friday that weather reports have been censored. The decision became apparent when Israeli newspapers appeared without their usual weather reports and forecasts.

Israel is concerned that weather reports could help Iraq decide when to launch missile attacks.

The Gulf area is now at the height of its rainy season. Baghdad, for instance, has some cloudiness about 50 percent of the time. Meteorologists said the region has been swept by several weather systems since the war began, producing intermittent periods of rain and cloudiness.

When an American satellite spots the missile's fiery plume, ground controllers calculate the launcher's location. Moreover, military radars in the region can track the missile and aid in determining the launching site. Allied aircraft then hunt for the launcher, which usually starts moving right after firing.

"They're hiding," said John E. Pike, head of space policy for the Federation of American Scientists, a private group based in Washington.

Military experts said the clouds have no operational effect on Scud missiles or the capabilities of American satellites.

(NYT, AP)

Cuba Offers Medical Help

Reuters

HAVANA — Cuba has offered the services of the 180 Cuban doctors and nurses working in Iraq to the International Committee of the Red Cross, which is preparing to assist victims of the Gulf war, the Communist Party newspaper Granma said Friday.

Sven Nackstrand/Agence France-Presse

An Israeli policeman restraining a man who tried to attack anti-war demonstrators on Friday outside the U.S. Embassy in Tel Aviv.

SCUDS: *An Israeli Dies, and More Than 40 Are Wounded in Iraqi Attack*

(Continued from page 1)

more of the missile systems were airlifted to the country Friday.

Foreign Minister David Levy said that Germany's foreign minister, Hans-Dietrich Genscher, who ended a visit here Friday, relayed an offer to supply German Patriot batteries to Israel. Mr. Levy did not say whether the offer would be accepted.

General Shai said the Scuds were launched from western Iraq, where, he said, Iraq still has both mobile and fixed missile launchers deployed.

Some hard-line cabinet ministers and military officials have been pressing for Israel to launch its own operations against the Iraqi launchers, arguing that the Israeli Air Force would be more effective than U.S. or allied planes. However, General Shomron dismissed the possibility in a television interview Friday, saying "anyone who thinks Israel could do a quick job and finish it is mistaken."

The general praised the action of U.S. forces, and said they would eventually destroy both the missile launchers and the overall Iraqi military machine. "America is fighting hard," he said. "But I have to say, it takes time."

TRAVEL: *As Hotels Empty, Fax Traffic Picks Up*

(Continued from page 1)

on Tuesday amid "acres of empty seats." She returned to Paris on Friday on a small commuter line.

"The concourse at London city airport was deserted," she said, "and there were five people on the flight."

Travel agents talk about the "Lockerbie effect" when they discuss the drop in business, referring to the December 1988 bombing of a Pan American World Airways jet over Scotland, in which 270 people died.

Indonesia's Ministry of Tourism said hotels had been hit hard by cancellations from Europe, the United States and the Middle East. In Japan, JTB, a major tourist agency, said 3 percent of its reservations for clients had been canceled in the first three days of the war.

Michael Richardson of the International Herald Tribune reported from Singapore that fear of terrorist attacks triggered by the war had hit the travel industry in Southeast Asia, Hong Kong and Australia, where tourism is a major source of foreign exchange.

"A lot depends on what is going to happen over the next few weeks on the Middle East battlefield and on the terrorist front," said Arthur Holliger, the general manager of the Hyatt Regency in Singapore.

Dharmnoon Prachuabmoh, the governor of the Tourism Authority of Thailand, said the number of tourists arriving at Bangkok International Airport had fallen 8 percent since the war began on Jan. 17.

Tour operators and hotels in Bangkok have reported short-notice cancellations averaging 15 percent to 20 percent, mainly from American, European and Japanese customers.

Many leading hotels in Bangkok, Manila, Singapore, Kuala Lumpur, Hong Kong, Jakarta and Sydney have reported substantial drops in occupancy rates as foreign travelers and group tours cancel or cut short their stays.

Richard Myer, the director of sales at The Regent in Kuala Lumpur, said the hotel had expected 70 percent occupancy in January but would probably end up with only 55 percent.

P. R. Gopal, the president of the National Association of Travel Agents in Singapore, said bookings had fallen by about 30 percent since Jan. 17 as American, European and Japanese travelers decided to stay home.

Most big European hotels report occupancy down at least 50 percent. A spokesman at the Hilton Hotel near the Eiffel Tower in Paris said trade had dropped to one-third the normal traffic for this time of year.

"The only people still traveling are the Europeans, and even that business is weak," said Michel Bonnetot, the manager of the George V Hotel in Paris. "The North American clientele that is the main part of our business is nonexistent at this time."

British Airways said passenger traffic had fallen 8 percent in the first week of the war. Air France reports that traffic dropped 16 for the third week of January from a year earlier.

Flights from the United States to Europe are so poorly booked that Trans World Airlines canceled half its European flights this week.

"A lot of members are just not flying," said Mara Papatheodorou, a spokesman for the American Chamber of Commerce in England. "It's either being done by phone or fax, or postponed indefinitely."

It also is being done by video conferencing, which is said to put people at each end of the line in the same room. Video conferencing is up 60 percent since the war broke out, according to a spokesman for British Telecom, although it does not come cheap: $1,425 an hour at each end for a trans-Atlantic call.

"People don't want to use airplanes anymore," said Susanne Moritz, an agent with Euro Lloyd Travel Agency in Berlin. "We are asked to change air bookings to train bookings."

She added, "My main job these days is booking cancellations or rebooking."

Germans Raise Gulf Donations

Washington Post Service

BONN — The German government said Friday that it had increased its Gulf aid by more than $1 billion to a total of about $3.6 billion.

A Foreign Ministry spokesman, Hanns Schumacher, said the funds include a previously announced $167 million in humanitarian aid to Israel and $114 million for the British military.

The new figures do not include a multibillion dollar contribution that Chancellor Helmut Kohl said this week he would give to the United States. That announcement is not expected until next month.

Gulf Notes

■ **Prime Minister Michel Rocard** of France urged on Friday that French newspapers and television stations refrain from showing pictures of Frenchmen who might be captured by Iraq. He called such pictures "an outrage and an intolerable humiliation for the prisoners and for their families." *(Reuters)*

■ **At least one person** was shot and killed Friday during anti-war protests in Turkey. The Anatolian News Agency said a man died after being shot in the eastern town of Tatvan, where demonstrators hurled stones at policemen who tried to break up their march. The agency said it was not clear who fired the shot. At least two people were injured. *(Reuters)*

■ **The lower house of the Argentine** Congress has joined the Senate in authorizing two Argentine warships in the Gulf to provide logistic support to the anti-Iraq alliance. The ships are to transport supplies and help with communications. Argentina is the only Latin American country that has sent forces to the Gulf. *(LAT)*

■ **A four-member CBS crew** that has been missing since Monday left behind $6,000 in cash, some Iraqi currency, their television equipment and a Saddam Hussein wristwatch before apparently heading into occupied Kuwait, Saudi officials said Friday. Saudi trackers followed footprints from the crew's abandoned car, near the Saudi-Kuwait border, into Kuwait and north to the nearest Kuwaiti checkpoint manned by Iraqi forces, but were unable to continue. Saudi and U.S. officials said they had asked allied units to watch for the crew, which includes the veteran correspondent Bob Simon. *(AP)*

Kaifu and Critics Clash on Plan To Expand Aid to Gulf Effort

By Steven R. Weisman
New York Times Service

TOKYO — Prime Minister Toshiki Kaifu, facing renewed opposition to deeper involvement in the battle against Iraq, opened a campaign Friday for public understanding by warning that Tokyo risked "international isolation" if it did not contribute more money and personnel to the war.

Meanwhile, Japan began preparations for what officials said would be the first use of operational military equipment in a war zone since the end of World War II. The mission was to use Japanese military transport planes to evacuate refugees from Amman, Jordan, to Egypt and Syria.

Many opposition parties said that this plan violated the constitutional ban on use of force, or that at least it violated legal curbs against the introduction of Japanese military equipment into a combat zone, even for peaceful purposes.

Mr. Kaifu said, however, that he intended to proceed with the plan simply by issuing an ordinance that declared transport of refugees in the Gulf region to be within the proper function of the military.

The debate over how to proceed on the Gulf is being watched by the United States and others as a gauge over how Japan will handle criticism that it has failed so far to meet its obligations in the war, despite its reliance on the Middle East for 70 percent of its oil needs.

Although analysts say it is too early to predict that Mr. Kaifu will not be unable to deliver on his pledges, government officials acknowledge that they cannot rule it out. Such a failure would be an enormous setback for Japan and for Mr. Kaifu.

Amid angry shouts on the floor of the Diet, or parliament, from opposition party members, Mr. Kaifu said he especially sought the "understanding and cooperation" of taxpayers for his proposal to give $9 billion to the war effort and for the use of the planes to evacuate refugees.

Government officials said Mr. Kaifu had the power to implement both the refugee and money steps unilaterally, without support from the Diet. But as a practical matter, pushing through proposals that clearly lack legislative support would be seen as severely damaging his credibility.

Moreover, Japan was confronted Friday with reports of a warning from the Iraqi ambassador to Japan, Rashid Rifai, that Japanese military transport aircraft would be subject to attack, even if their mission is the ostensibly humanitarian one of airlifting civilian refugees from the war zone.

The Foreign Ministry summoned the ambassador to explain, and the ministry later reported that he did not mean to single out Japanese aircraft as targets.

"We will have to keep our eyes open," said Taizo Watanabe, the Foreign Ministry spokesman.

As for the $9 billion, officials said that at some point the money and the means to pay for it would have to be approved by the Diet. A key opposition party that Mr. Kaifu is counting on reports that it is divided on the issue.

Leaders of the party, Komeito, said that they were concerned about reports that the $9 billion was calculated after the United States informed Mr. Kaifu that it expected Japan to pay for 20 percent of the cost of the war.

The party leaders also said they had deep misgivings about the idea of floating special war bonds, or imposing a special tax, perhaps on oil, to pay for the contribution. They also were concerned that the money would be used for arms or ammunition, as opposed to noncombat items.

Previously, Japan pledged $4 billion for the war effort and for economic aid to the region, although less than half this money has been disbursed.

KUWAIT: *Iraqis Hurting*

(Continued from page 1)

reportedly included a munitions dump at Ras al Qulayah and an Iraqi intelligence center at Al Ahmadi. Both sites are south of the capital.

In addition, allied planes destroyed missiles and anti-aircraft guns installed on the top of several buildings in Jalleb Sheyouk, less than two miles (3 kilometers) from Kuwait International Airport, and on the roof of a telecommunications center in Ardiya, a small town west of the capital. The two main military air bases, Ali al Salem and Ahmed al Jaber, were bombed the first day of the war, but the extent of damage is not known.

A source said that the island of Falaka, just off the coast of Kuwait City, had also been subjected to bombardment and that, earlier this week, residents of the capital had seen the glow of a large fire at night from the direction of Iraq's Oum Kasr port on the Gulf. Iraq has an oil storage and loading facility called Mina al Bakr near that port, but there is no official confirmation the site has been bombed.

There have also been unconfirmed reports of skirmishes between Iraqi troops and resistance activists in Al Ahmadi and in Kuwait City's Rumaithiya suburb. In Rumaithiya, several young Kuwaitis were reported killed after they began shooting at Iraqi soldiers in the first days of the war, apparently thinking liberation forces were on their way, two sources said.

Kuwait City residents, after an initial burst of euphoria at the outbreak of war, when they went to their rooftops and shouted "God is great," are now staying at home. They are taking shelter in basements at the sound of bombing raids, but the core of the capital city itself reportedly has not been hit except for some selected Iraqi military sites, the reports indicate. Empty homes are still being broken into and pillaged by Iraqi troops, a source said.

"The sound of war gives everybody the hope that liberation is near," he added.

OIL: *A Giant Slick Off Kuwait*

(Continued from page 1)

soon as the oil is spread on the surface of a body of water, volatile elements in the oil begin to rise into the atmosphere, and the warm temperatures in the Gulf are likely to enhance the evaporation process.

"The nature of oil changes as it hits water," another Exxon official said. "It probably is not as easy as people would imagine to set it on fire."

John Lichtblan of the Petroleum Industry Research Foundation in New York noted that during the Iran-Iraq war, tankers struck by explosive missiles and bombs were heavily damaged but the oil did not ignite.

Baghdad has accused the allies of spilling oil. The United Nations published a complaint Friday in which Iraq asserted that U.S. warplanes' bombing of two Iraqi tankers on Tuesday had caused "a vast oil slick in the Arabian Gulf which is bound to cause serious harm to the region's living marine resources and environment."

The United States acknowledged Thursday that its bombing may have been responsible for a smaller spill.

Iraq, in its UN letter, said: "This is not the first time the United States has damaged the environment and exposed men and fauna to serious danger, by undertaking nuclear tests and dumping nuclear wastes and other toxic chemicals."

BUSH: *'Sick' and 'Desperate' Spill*

(Continued from page 1)

was close. "We'll get to retaliation later," Mr. Bush added.

The latest turn in the Gulf war will not force any change in his scheduled State of the Union address to a joint session of Congress on Tuesday evening, he said.

He also said Iraqi actions should not disrupt normal life in the United States. It would be foolish, for example, to cancel the Super Bowl professional football championship scheduled for Sunday in Tampa, Florida, he said.

On another sensitive subject, Mr. Bush refused to rule out that Mr. Hussein might remain in power after the war. Asked directly, he said, "Our objectives remain the same." Mr. Bush has defined allied war aims as the liberation of Kuwait and the restoration of the Kuwaiti government.

"We're not in the business of targeting Saddam Hussein," he said. Yet he reiterated, "No one will weep when he's gone."

Mr. Bush said the cost of the the war was still being computed, and an accounting would be given to Congress. He said he was "very pleased with the cooperation and participation of foreign countries" in financing Operation Desert Storm.

—PAUL F. HORVITZ

TO OUR READERS IN GREECE
It's never been easier to subscribe and save. Just call today:
(1) 99-19-328 in Athens.

EDUCATION DIRECTORY

FRANCE

TROIS ATOUTS POUR REUSSIR EN ANGLAIS

DÈS 8 ANS

Pour commencer l'anglais avec un album amusant !

DÈS 12 ANS

Pour progresser en anglais avec un magazine distrayant.

DÈS 15 ANS

Le magazine qui donne du souffle à votre anglais

BAYARD PRESSE JEUNE
3, RUE BAYARD, 75008 PARIS.

FRANCE

DELAMARE DEBOUTTEVILLE JOB FAIR
ROUEN - FRANCE
January 30 & 31, 1991
88 businesses offering internships and jobs to 1500 students from 3 "grandes écoles":
For information on how to attend, contact:
INSA Rouen — Catherine Joannes — 35 14 60 00
ESIGELEC — Regine de La Tour — 35 72 80 94
SUP DE CO Rouen — Jean Chanut — 35 74 03 00

FRANCE

- Program of the University of Hartford taught in English.
- Tuition includes preparation for TOEFL & GMAT.
- Bachelor in Business Administration: 2 years in France and 1 year on the campus of the University of Hartford or 3 years in France. Majors: Finance, Economics Marketing, Accounting.
- Master in Business Administration: 1 year: Paris or Hartford.

AN AMERICAN M.B.A IN 4 YEARS FRANCE/U.S.A

ABS American Business School
Academic Affiliation With
UNIVERSITY OF HARTFORD
75116 PARIS 15 Av. de la Grande Armée - Tél.: (1) 45.01.96.01 Fax: 40.67.96.96

BELGIUM / FRANCE

NEW IN FRANCE
DARE EXPRESS YOURSELF IN FRENCH. ONCE AND FOR ALL
In most language courses you only progress by means of your own efforts.
The new residential center of CERAN has been created to facilitate your concentration, communication and progress.
Thanks to the unique support of an entire team, you will excell yourself, fully and finally freeing your communication capacities without feeling the intensity of your study programme 38 HOURS OR MORE DEPENDING ON THE CHALLENGE YOU SET YOURSELF!
You will hear and speak nothing but French, always in the presence of your teachers for 66 hours per week (lessons, meals, evening activities).
For over 15 years now, 77% of our clients have opted for Ceran following the remarkable progress they have observed in our past participants. ALCATEL, SIEMENS, E.C., COCA-COLA, LUFTHANSA, PEPSI-COLA, DRESDNER BANK, etc.
Only recommended for motivated adults, even beginners
CERAN LANGUES PROVENCE, B.P. 27284, F-30130 PONT-SAINT-ESPRIT, Tel. (33) 66 90 33 66, Fax (33) 66 90 33 66
CERAN ARDENNES, 284, avenue du Château, B-4900 SPA, Tel. (087) 77 71 54, Fax (087) 77 36 29
In USA : Lexquagency - Tel. (203) 267-1699 - Fax (203) 284-1827
Residential courses in English, German, Dutch and Spanish are also available

EXECUTIVE EDUCATION

- FRENCH IN FRANCE -
LE CENTRE BOURGUIGNON
Europe's premier residential training centre in the heart of the Burgundy vineyards.
- luxurious accommodation, haute cuisine
- one-to-one instruction
- 70 hours a week exposure
- executives from Europe, Japan and USA
FOR DETAILS CONTACT:
From UK: Tel. 0962 841775 Fax 0962 840632
From other countries: Le Centre Bourguignon, Domaine de Mesmes, Route de Buxy, 71390 St Désert.
Head Office (Lyon): Tel. +33 72 33 53 98 Fax +33 72 36 95 63
RICHARD LEWIS COMMUNICATIONS

USA

INSTITUTE OF WORLD AFFAIRS
1991 SUMMER SEMINARS
Diplomacy; International Finance & Marketing; Ethnic Unrest; US-Soviet Relations
For further information, call or write: Institute of World Affairs, 375 Twin Lakes Road, Salisbury, CT 06068 USA. Tel.: 203-824-5135. Fax: 203-824-7884.

Send for a free copy of the
INTERNATIONAL EDUCATION GUIDE
Write to: Brooke Pilley, International Herald Tribune, 181 Avenue Charles-de-Gaulle, 92521 Neuilly Cedex, France.

هكذا من الاصل

مكونا من الاصل

WAR IN THE GULF: A painful debate divides many blacks about their children's role in the war — and in the military

Blacks in Army: A Cruel Irony

For Many, an Escape Route Leads to War in the Desert

By Isabel Wilkerson
New York Times Service

NEW YORK — Wesley Hatch, a black teenager from Chicago's neglected West Side, graduated from high school with few choices two years ago. He dreamed of going to college to study architecture, but his mother did not have the money. That left dead-end jobs, the streets and the military. He chose the military.

"He didn't want to go," said his mother, Rhoda. "But he thought by joining the army he'd be able to do better, help me out and go to school."

Now he is a foot soldier on the Kuwaiti border, on the front lines of war in the Gulf. He is one of about 104,000 black men and women who, Defense Department statistics show, account for nearly 25 percent of the American troops in the Gulf region and almost 30 percent of army troops.

In contrast with their numbers in the armed forces, blacks make up only 12 percent of the nation's civilian population. And as the Gulf conflict moves closer to ground combat, a painful debate has divided many blacks about their children's role in the war and in the military.

The statistics documenting the number of blacks in the Gulf have stirred a deep well of resentment and anger in some blacks who fear that their community will pay disproportionately for a war that many of them do not support.

The most recent New York Times/ CBS News Poll, conducted Jan. 17 to 20, asked 3,002 adults whether they favored starting military action or continuing the use of economic sanctions.

The 250 blacks in the poll split about evenly on the question and whites favored war by a 4-to-1 ratio. In a vote four days before the war started, all the black Democrats in Congress were against the measure authorizing force in the Gulf.

Some black critics of the war say they are bitter that their sons and daughters are being sent to war by an administration that they see as insensitive to members of minority groups.

Others say that problems like drugs and crime in this country are more important than Iraq and Kuwait, but will not receive attention because of the preoccupation with the war.

And with a fervor reminiscent of the civil rights movement, some are organizing themselves into anti-war groups to discourage more blacks from joining the military.

Still other blacks express pride and comfort in General Colin L. Powell, the nation's first black chairman of the Joint Chiefs of Staff, as well as a loyal, if resigned, sense of duty to the war effort.

> **'The military is seen as a benefit in peacetime, and a burden during war.'**
> **Martin Binkin, military analyst**

Pentagon officials acknowledge the disproportionate number of blacks in the armed forces but say it is the random outcome of having an all-volunteer force.

"Nobody's making them enlist," said Christopher Jehn, assistant secretary of defense for force management and personnel. "They're not victims; they're willing, patriotic Americans."

Benjamin L. Hooks, president of the National Association for the Advancement of Colored People, said, "This nation ought to be ashamed that the best and brightest of our youth don't volunteer because they love it so well, but because this nation can't provide them jobs."

And during a week of commemorations marking the birthday of Martin Luther King Jr., the slain civil right leader's son even urged blacks not to participate in the war.

In a speech in Chicago last week for Operation PUSH, Martin Luther King 3d said: "Every black soldier ought to say: 'You all do what you want to. I'm not going to fight. This is not my war.'"

The debate underscores an agonizing irony for blacks. For centuries, blacks faced discrimination and harassment as they fought for important war posts to prove their worth and citizenship.

In the last 20 years, since the easing of racial strictures, large numbers of them volunteered for the armed forces as a way out of poverty and now must face the war as a consequence of that decision.

At the core of the problem, said Martin Binkin, a military analyst with the Brookings Institution, are the mixed perceptions of the military and perhaps the conflicting motivations of those who join.

"The military is seen as a benefit in peacetime," Mr. Binkin said, "and a burden during war."

During the peacetime years since the Vietnam War and the end of the draft, which had tended to equalize the number of blacks and whites in the armed forces, blacks have joined the military at a rate up to three times that for whites.

Military analysts and many blacks agree that the armed forces, while not a racial utopia, offer a more egalitarian environment for blacks than perhaps any place in the civilian world.

That assessment stems in large part from a military system of promotion and pay based mainly on seniority and skill rather than on race and intangibles.

Still, critics say the military is taking advantage of economic conditions that make the armed forces the only chance for steady work to some black people.

Military analysts say that, unlike white enlistees who tend to be poorer and less-educated than their civilian counterparts, most black servicemen and women are high school graduates or better from working- and middle-class families.

"The stabilizing forces in our community are being drawn out," said Kathy Flewellen, a leader of the National African-Americans Against United States Intervention in the Gulf, a protest group.

The feelings of loss and despair are mixed with a sense of satisfaction about General Powell. "Every time he's on TV I feel proud," said James Exum, a Vietnam War veteran living in Chicago. "I feel confident with him there. I don't think he'll rush into ground action knowing that there are black men on the front lines. I feel a sense of comfort knowing that there's a black man calling the shots."

Reuters

U.S. Marines in the Saudi desert, taking a break from official duties, dueled over a volleyball as their clothes hung out to dry.

U.S. Says Envoys Are A Target of Iraqi Threat

Compiled by Our Staff From Dispatches

WASHINGTON — The State Department said Friday there had been several attempts to attack American interests worldwide in the previous 24 hours and one "credible terrorist threat" to U.S. diplomats in Tanzania.

Margaret D. Tutwiler, the department spokesman, said the government was advising Americans to put off nonessential travel to Tanzania because of the threat, which she said was made by "Iraqi terrorists."

Miss Tutwiler cited other incidents, including an explosion at an American recreation club in Kampala, Uganda. A bomb was thrown over a wall, landed on a tennis court and exploded. The U.S. ambassador had used the court just before the explosion, which caused no injuries.

In Athens, bomb attacks on U.S. and British banks and the home of the French military attaché on Friday caused minor damage and no injuries.

A radical Greek guerrilla group, called the November 17th organization, took responsibility for the attacks, saying they were "a demonstration of solidarity with the people of Iraq."

Since 1975 the group has been responsible for a series of bomb attacks and 15 assassinations, including that of a U.S. Central Intelligence Agency station chief in Athens.

Bombs were defused outside offices of American companies in Ankara and Kuala Lumpur, Miss Tutwiler said.

Iraq has repeatedly threatened to unleash guerrilla attacks on the United States and its supporters.

Miss Tutwiler said the State Department had authorized the departure of dependents of U.S. officials from all parts of Saudi Arabia. It had previously authorized such departures only from the eastern part of the country.

In the Philippines, meanwhile, the government said it would deport two more Iraqis in addition to an Iraqi diplomat who was expelled Thursday.

The government said the three men were linked to a failed attempt to bomb a U.S. government library last week. The bomb detonated prematurely, killing an Iraqi and injuring another.

(Reuters, NYT, AP)

A Sense of Diplomatic Fiasco in Belgium

By Barry James
International Herald Tribune

According to Interior Minister Louis Tobback of Belgium, some things happen in his country that "just begin to border on insanity."

- Like giving an entry visa to a spokesman for a Palestinian terror group in the midst of fears that the outbreak of war with Iraq would lead to terrorist attacks in Europe.
- Like refusing to provide ammunition in a time of need to one of its closest allies, Britain, which has twice this century come to its aid in a time of war.
- Like making a hostage deal, despite the government's policy of not negotiating with hostage takers.
- Like the release earlier this month of a terrorist convicted of an attack on Jewish youths.

Belgian officials insisted that these events were not connected, but their confluence at a time of international crisis has left an impression of government ineptitude, or worse. BRT, the Flemish radio and television service, reported Friday night that an undisclosed number of Belgian diplomats had signed a joint letter to Foreign Minister Mark Eyskens, expressing their "consternation" at the conduct of foreign policy.

Expressing a widely held sentiment in Britain, a Conservative member of Parliament, Anthony M. Beaumont-Dark, accused the Belgians of behaving like "frightened sparrows" by refusing to provide ammunition, a decision he said was "cowardly." He urged Britons to consider boycotting Belgian goods and not vacation there, and asked Belgians to pressure their government to change its policy.

The ammunition controversy has caused political strains in the government. Gérard Deprez, president of the Walloon Christian Socialist Party, a member of the ruling coalition, said the decision had been a "psychological and political error."

In what appeared to be an attempt to make amends, the government announced Friday that it would pay for 972 automatic weapons that the United States ordered from Fabrique Nationale Herstal SA, the country's main arms producer, at a cost of $2.6 million.

Belgium has supplied three minesweepers to the war effort and has sent C-130 aircraft for humanitarian missions in the region.

The government never publicly refused the British request for ammunition. But political sources said the government stalled on the request for fear it would upset negotiations to obtain the release of a Belgian family of four, held hostage by the Fatah Revolutionary Council, an extremist Palestinian organization headed by Abu Nidal.

Since their release earlier this month, the four former hostages have said nothing, apparently under government orders to keep silent. It is not even known where they were held, although it is generally believed they were being kept in Baghdad.

Any pleasure over their release was quickly tempered by the news that the apparent price Belgium paid was the release of a Palestinian terrorist, Saïd Nasser, jailed for the 1980 grenade attack on a group of Jewish youths outside a synagogue in Antwerp. An 18-year-old French youth was killed in the attack. Another teenager was paralyzed and 18 others were injured.

Mr. Eyskens called the release of Mr. Nasser and the freeing of the four Belgians "a happy coincidence."

But all the above fades into insignificance in comparison with the embarrassment and anger caused by a decision to grant an entry visa to Walid Khaled, a spokesman for the Fatah Revolutionary Council. The group's leader, Mr. Nidal, is one of the strongest Palestinian supporters of President Saddam Hussein of Iraq and has threatened to carry out terrorist actions throughout the world in support of Iraq.

Mr. Khaled entered Belgium last week on a tourist visa granted by the Foreign Ministry. After two days in Belgium, he was picked up by the police only when a passer-by recognized him on a Brussels street.

The prime minister, Wilfried Martens, then ordered Mr. Khaled's expulsion, and he left on the day war broke out.

Mr. Martens said he was not informed about the granting of the visa.

"I had to ask if they were sure it was really Khaled that was detained, so baffled was I," he said.

He said the government would investigate the affair.

So far it has said nothing, while Mr. Martens and Mr. Eyskens have ridden out a growing storm in parliament, resisting calls for their resignation.

As a result of the case, three top Foreign Ministry aides have resigned.

According to political sources, the diplomats' protest letter complained that lower-level officials were being made to take all the blame while government ministers attempted to remain aloof.

World Headlines: Day 9

Bush Rules Out Gulf Cease-fire
Frankfurter Allgemeine, Frankfurt

China will Further Develop Its Petrochemical Industry Under the Eighth Five Year Plan
People's Daily, Beijing

Additional Contribution Causes Constitutional Debate
Mainichi Shimbun, Tokyo

Eighth Day of the War/ New Air Raids Against Southern Iraq and the Capital
Granma, Havana

(Monetary Reform) Was a Necessary Measure
Pravda, Moscow

Chinese Meet With Soviets But Plan No Initiative

Reuters

BEIJING — China and the Soviet Union have been in contact about the war in the Gulf, but a joint peace initiative is not expected, a Soviet source said Friday.

Western diplomats said China did not want to become embroiled in the crisis now and preferred to watch developments.

China and the Soviet Union are permanent members of the United Nations Security Council. Moscow voted with the United States, Britain and France, the other permanent members, for the resolution authorizing use of force against Iraq. China abstained.

■ Security Council Meets

Paul Lewis of The New York Times reported from the United Nations, New York:

The Security Council met late Thursday to discuss a cease-fire proposed by five North African countries, but the effort was considered futile as the United States and other permanent members were certain to veto any proposal to end the fighting.

The council met privately after the five nations — Morocco, Algeria, Libya, Tunisia and Mauritania — called for the cease-fire.

The meeting, which lasted into the evening without agreement on a specific cease-fire proposal, was the first held by the council since the war began.

The North African move to convene the council was a response to rising popular anger in the five countries and in many other predominantly Muslim lands. Morocco joined the four other nations even though it has sent troops to help the U.S.-led force in the Gulf.

Diplomats from the five nations acknowledged that their initiative was unlikely to succeed, partly because President Saddam Hussein of Iraq had shown no interest in a settlement and the United States and its allies were firmly opposed to a cease-fire, insisting that Iraq withdraw its troops from Kuwait.

On Monday, Mr. Hussein rejected a peace proposal sent by Mikhail S. Gorbachev, the Soviet leader, who had suggested a cease-fire followed by an immediate Iraqi withdrawal from Kuwait.

In all five North African nations, public opinion is seething over the attack on Iraq, according to reports. Diplomats said the political structure of the five countries was being seriously strained as Islamic fundamentalists sought to embarrass the governments.

U.S. Munitions: Big Stockpile

Supply Will Hold Up for Long Air War, Analysts Concur

By Benjamin Weiser
Washington Post Service

WASHINGTON — U.S. military officials say that they do not expect shortages of missiles and bombs as they pursue an extensive air war over Iraq and Kuwait that could last several more weeks.

While the Pentagon will not release figures on how many missiles and bombs remain available, published records and interviews with experts tend to support the claim that enough munitions have been stockpiled to provide for an extended air war.

Although U.S. forces have launched close to half the estimated 500 Tomahawk cruise missiles that were sent to the Gulf before the war, a navy official said use of the missile was likely to decrease as the number of Iraqi targets decreased.

Asked Thursday at a Pentagon briefing whether indications that the missile was being used less often reflected a shortage of the weapon, Major General Martin Brandtner of the Marine Corps said: "It does not reflect a shortage of missiles. Absolutely not."

Before the war, according to military data submitted to Congress, the army had about 3,250 Patriot missiles.

No more than several dozen reportedly have been used to shoot down Iraqi Scud missiles fired at Israel and Saudi Arabia.

"We are not going to run out of the Patriot," an army spokesman said.

There also are sufficient stocks of laser-guided precision bombs for pinpoint aerial bombing raids, officials said.

The continued air war and the infusion of tens of thousands of additional troops will, however, strain the extended supply lines.

The government is mobilizing to cope with the problem.

The Commerce Department has issued 40 to 50 orders to military contractors to put supplies for Operation Desert Storm ahead of other commercial business, officials said. Twenty such orders were issued in the last three weeks alone.

Military authorities are searching for additional suppliers of chemical protective suits. Although 1.34 million suits have been procured, 3.5 million are needed, according to the Defense Logistics Agency.

Once unpacked, the suits are good for only 22 days before their effectiveness is degraded by fumes and other contaminants. After exposure to chemical warfare, each suit must be replaced within 24 hours.

Logistics has never been far from the minds of the commanders in the Gulf. In November, General Alfred M. Gray Jr., the Marine commandant, sharply criticized the supply system after returning from an inspection trip to Saudi Arabia. A second Marine official questioned the adequacy of stores of some ammunition, including precision bombs. The army chief of staff, General Carl E. Vuono, is known to have expressed similar concerns.

Since then, with a constant flow of material by air and sea, the situation "has improved markedly," said Lieutenant Colonel Fred Peck, a Marine Corps spokesman. "We're in good shape across the board and have a good backlog in all the categories."

"Obviously, since we initiated this, we are prepared for it," said Russell Murray, an assistant secretary of defense in the Carter administration and a former special counselor to the House Armed Services Committee. "It would be very surprising if there is a logistical problem now."

The supply situation has been aided by high inventories. Since 1980, the army has procured about 6,450 Patriot missiles and about 100 launchers. About a third have been expended in training and testing over the years. Moreover, the missile manufacturer, Raytheon Co., has accelerated production since August.

A navy official said there were an additional 600 nonnuclear Tomahawk missiles in U.S. stocks that could be readily deployed to the Gulf.

Experts said that it was more difficult to gauge the situation for precision bombs, but they doubted that troublesome shortages would arise.

"You're not dealing with anything that's a war-stopper," said Eliot A. Cohen, professor of strategic studies at the Johns Hopkins School of Advanced International Studies.

While military officials have emphasized the success of the precision-bombing attacks against Iraqi targets, there are also vast quantities available of the so-called "dumb bombs," which can be highly effective.

"If you've got a very smart plane delivering a dumb bomb, it's very accurate," Mr. Cohen said.

Some of these munitions, a Pentagon official said, are 2,000-pound (900-kilogram) bombs dropped from 20,000 feet (6,000 meters).

"Costs less than $1 a pound — it's cheaper than hamburger," the official said.

Fuel is a concern, particularly if U.S. tanks must travel great distances through the desert in a potential ground war.

David Isby, a military expert who has studied the question, estimates that one U.S. armored division would require 600,000 gallons (about 2.3 million liters) of fuel a day advancing on the southern Iraqi city of Basra, twice the consumption rate of General George S. Patton's Third Army as it dashed across France in 1944.

U.S. Protesters Plan a 2d Rally

Washington Post Service

WASHINGTON — For the second consecutive weekend, anti-war demonstrators are gearing up for a major street protest in Washington. The turnout Saturday will be an important indicator of whether sentiment is growing against the war in the Middle East.

The National Campaign for Peace in the Middle East, a coalition of student, religious, labor and human-rights groups, has told the police to expect 50,000 to 75,000 protesters. They are scheduled to rally at noon on the Mall near the Capitol, then march to a spot near the White House for a second rally.

Organizers said they hoped that the week since the last rally had given protesters more time to gather strength, and that fading expectations of a quick war would create additional anti-war sentiment. Surveys indicate continued widespread backing of President George Bush's policies.

Anstralian Divers Go to Gulf

Reuters

SYDNEY — Australia will send a team of 23 naval divers to the Gulf to help disarm Iraqi mines, Defense Minister Robert Ray said Friday.

TO OUR READERS IN FRANCE

It's never been easier to subscribe and save with our new toll free service. Just call us today at 05-437 437

Get Rich in America's Greatest Lottery

WIN $100,000,000

That's One Hundred Million U.S. Dollars!

Millions of U.S. Dollars are won regularly playing the World Famous Florida Lottery. In fact, the Florida Lottery has AWARDED MILLIONS OF DOLLARS to people who have won - including it's biggest Jackpot of U.S. $100,000,000. Imagine all the things you could do and enjoy with $100,000,000. People from all over the world go to Florida just to play the Lottery. Now, you too can play the World's Greatest Lottery and win a MULTI-MILLION DOLLAR JACKPOT.

GAME YOU PLAY INCREASES YOUR CHANCE TO WIN THE JACKPOT. Once your completed subscription form and payment is received, your numbers will automatically be entered in the computer system and you will receive an "Official Entry Confirmation" by return mail. Your "Official Entry Confirmation" will indicate the numbers you selected.

Very Fast Service

Your subscriptions are sent to our express address located right in Amsterdam's World Famous Schiphol Airport. From there, your subscriptions are immediately sent by our special air-courier to the United States. THIS ENABLES US TO PROCESS YOUR SUBSCRIPTIONS FROM ANY LOCATION WORLDWIDE IN THE SHORTEST POSSIBLE TIME.

Playing Lotto 6/49 Is Easy

Lotto is the World's most popular form of lottery. The Official Florida version is called Lotto 6/49 and is FULLY BACKED BY THE GOVERNMENT. Each week one draw is held in public - under strict supervision in Florida. Lotto 6/49 is easy to play. You pick your own numbers by selecting any 6 of 49 possible numbers from 1 to 49. It's that simple. The numbers you select are entered in the Lotto 6/49 Computer System and if they match the same numbers in the draw - YOU WIN THE JACKPOT. Even if you didn't select all six numbers, you could still be a winner! If you have only 3, 4, or 5 numbers correct, you win one of the thousands of other prizes.

THE FLORIDA LOTTERY
Pick Your Own Numbers - Play Lotto 6/49

You Will Be Notified Immediately When You Win The Florida Lottery

United States International Marketing will immediately notify you when you win any prize of $1,000 or more. In addition, you receive a complete list of winning numbers after every five weeks so that you can carefully check how you are doing. YOUR PRIZE MONEY WILL BE CONFIDENTIALLY PAID DIRECTLY TO YOU ANYWHERE IN THE WORLD. Upon expiration of your subscription you will receive a final itemized statement of your winnings.

Here's How You Can Play Florida Lotto 6/49

All you have to do to play the World Famous Florida Lottery is to complete the subscription form and send it to United States International Marketing's world wide processing center, along with your payment. You can play 2, 4, 6, 8 or 10 games for 15, 26, or 52 weeks. REMEMBER, EACH ADDITIONAL WEEKLY

United States International Marketing, Ltd.
P.O. Box 7525
1118 ZG Schiphol Centrum
The Netherlands

For Faster Service
Fax Your Credit Card Orders
Directly to the USA
★USA FAX 1-301-913-9192

CIRCLE SIX NUMBERS FROM 1-49 IN EACH GAME YOU WISH TO PLAY

GAME 1	GAME 2	GAME 3	GAME 4	GAME 5
1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9
10 11 12 13 14 15 16 17	10 11 12 13 14 15 16 17	10 11 12 13 14 15 16 17	10 11 12 13 14 15 16 17	10 11 12 13 14 15 16 17
18 19 20 21 22 23 24 25	18 19 20 21 22 23 24 25	18 19 20 21 22 23 24 25	18 19 20 21 22 23 24 25	18 19 20 21 22 23 24 25
26 27 28 29 30 31 32 33	26 27 28 29 30 31 32 33	26 27 28 29 30 31 32 33	26 27 28 29 30 31 32 33	26 27 28 29 30 31 32 33
34 35 36 37 38 39 40 41	34 35 36 37 38 39 40 41	34 35 36 37 38 39 40 41	34 35 36 37 38 39 40 41	34 35 36 37 38 39 40 41
42 43 44 45 46 47 48 49	42 43 44 45 46 47 48 49	42 43 44 45 46 47 48 49	42 43 44 45 46 47 48 49	42 43 44 45 46 47 48 49
GAME 6	GAME 7	GAME 8	GAME 9	GAME 10
1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9
10 11 12 13 14 15 16 17	10 11 12 13 14 15 16 17	10 11 12 13 14 15 16 17	10 11 12 13 14 15 16 17	10 11 12 13 14 15 16 17
18 19 20 21 22 23 24 25	18 19 20 21 22 23 24 25	18 19 20 21 22 23 24 25	18 19 20 21 22 23 24 25	18 19 20 21 22 23 24 25
26 27 28 29 30 31 32 33	26 27 28 29 30 31 32 33	26 27 28 29 30 31 32 33	26 27 28 29 30 31 32 33	26 27 28 29 30 31 32 33
34 35 36 37 38 39 40 41	34 35 36 37 38 39 40 41	34 35 36 37 38 39 40 41	34 35 36 37 38 39 40 41	34 35 36 37 38 39 40 41
42 43 44 45 46 47 48 49	42 43 44 45 46 47 48 49	42 43 44 45 46 47 48 49	42 43 44 45 46 47 48 49	42 43 44 45 46 47 48 49

FLORIDA LOTTO

Subscribe NOW! For Faster Service
Fax your credit card orders direct to the USA.
USA FAX: 1-301-913-9192

PICK YOUR PLAN – Check only one box below next to the option of your choice. ALL PRICES IN U.S. FUNDS

FREE BONUS ▶		INCLUDES 1 WEEK FREE	INCLUDES 2 WEEKS FREE
EACH WEEK	15 WEEKS	26 WEEKS	52 WEEKS
2 Games	☐ $135	☐ $ 225.	☐ $ 450.
4 Games	☐ $270.	☐ $ 450.	☐ $ 900.
6 Games	☐ $405	☐ $ 675	☐ $1350.
8 Games	☐ $540.	☐ $ 900.	☐ $1800.
10 Games	☐ $675.	☐ $1125.	☐ $2250.

On all Credit Card payments a handling fee of $19. will be added

VALID ONLY WHERE LEGAL
United States International Marketing is a private company not affiliated with any Agency or Government. The prices quoted herein include handling and trustee service fees.

If you are already a United States International Marketing subscriber - please fill in your client account number below
CLIENT ACCOUNT NUMBER

CIRCLE ONE. DR. MR MRS MISS MS.

NAME _____

TELEPHONE _____ FAX _____

ADDRESS _____

I 012691

CITY _____ COUNTRY _____

☐ CHEQUE ☐ DRAFT ☐ VISA ☐ MASTERCARD ☐ AMERICAN EXPRESS ☐ EUROCARD ☐ DINERS CLUB EXPIRY DATE _____

signature X

Make Cheque or Bank Draft (in U.S. Funds) payable to United States International Marketing Ltd

Mail to: United States International Marketing, Ltd.
P.O. Box 7525
1118 ZG Schiphol Centrum
The Netherlands

International Herald Tribune
Published With The New York Times and The Washington Post

OPINION

'All the Way' in the Gulf?

Inevitably, once adversaries are driven to war, pain and passion tempt them to expand their war aims. It is just so in the Gulf. President George Bush initially set out to expel President Saddam Hussein from Kuwait and restore stability to the region. As late as Wednesday afternoon, General Colin Powell, chairman of the Joint Chiefs of Staff, said, "Our military objective is the Iraqi army in Kuwait."

But only a few hours later, Mr. Bush went much further. He declared that "there can be no pause now that Saddam has forced the world into war. We will stay the course, and we will succeed — all the way."

Americans can be proud of U.S. and other forces fighting in the Gulf and still ask, with urgency, what does "all the way" mean? At what price?

Few would quarrel with one of Mr. Bush's new goals, to block Iraq's nuclear ambitions. But Mr. Bush does not stop there. He now talks of toppling the Iraqi leader: "No one should weep for this tyrant when he is brought to justice." He calls for crippling Iraq's military machine. And when he says "all the way," he implies that allied ground forces, after liberating Kuwait, will push on into Iraq.

These goals may be defensible; seeing Saddam driven from power, for instance, would be deeply satisfying. But before embracing them, we must weigh the costs.

Unlimited ends call for unlimited means. To force Saddam out may well require taking the ground war deep into Iraq. That almost certainly means an even longer war than the White House predicted Thursday. And that in turn would inflict two perilous costs: much higher casualties and grave political risks for the region.

Mr. Bush needs to show his new objectives are worth these costs and risks.

Threatening to kill Saddam will not induce him to quit Kuwait. Martyring him is likelier to fuel regional unrest than to damp it down. And trying to engineer a successor regime in Baghdad would ensnare Washington in Arab politics. In any case, what if driving Saddam from power requires marching into Iraq, with heavy casualties? Some weeks from now, that prospect may not seem so satisfying.

Substantially weakening Iraq's military forces is likely to follow inevitably from fighting the armies entrenched in Kuwait. But would Americans then think that trying to demolish these forces is worth thousands more dead and wounded, while unsettling friendly governments from Rabat to Riyadh? Probably not.

A gravely weakened Iraq would be prey to separatists and neighbors alike. Shiites are an oppressed majority. Kurds have long been seeking a state of their own, one that encompasses parts of Turkey, Iran and the Soviet Union. Iran and Syria have political scores to settle with Iraq, and Turkey has a long-standing claim to oil-rich parts of the north.

Knowing the probable consequences, many members of the coalition have been loath to invade Iraq. They would let Iraq keep enough of an army to defend its pre-invasion borders. That would give Iraqi commanders some incentive to quit Kuwait rather than see their armed forces destroyed.

If Saddam remains adamant, the question of residual forces may never arise. But leaving Iraq a way out could satisfy the coalition's objectives at a sustainable cost. There is no reason yet to embrace the bloody prospect implicit in going "all the way." If Mr. Bush is waging war in the Gulf for the sake of regional stability, then the most sensible war aims are limited ones.

— THE NEW YORK TIMES.

Germany's Due Bill

Recently it has been asked whether the Germans, having had the help of many other nations in winning reunification, are now turning away from their own responsibilities to other nations. That sense of uncertainty has reached Bonn, prompting a welcome, if only partially reassuring, answer from Chancellor Helmut Kohl.

Confronting the mounting anti-American sentiment on German streets over the U.S. role in the Gulf, Mr. Kohl placed his country squarely on the side of the United States. He announced Germany's intention to substantially increase financial support for the military effort. And he announced a $170 million emergency aid package for Israel.

These actions place Germany on track with Japan, which announced an additional $9 billion contribution to the war effort and the provision of aircraft to rescue refugees. While belated, the announcements by Germany and Japan may lessen concerns that they are opulent freeloaders hiding behind domestic opinion.

Still, a question lingers over Germany, where voices are being raised against the idea that NATO, Germany's protector and patron for years, has a commitment to defend Turkey against a possible Iraqi attack. Mr. Kohl has repeatedly stated that Germany's constitution forbids deployment of its military outside NATO territory, though that restriction is not applicable to Turkey, a NATO member. No other treaty member disputes NATO's obligation to come to the defense of a member under attack.

It should not be necessary to observe that members of the NATO alliance expended billions of dollars over the decades to protect Germans against hostile threats, allowing them to concentrate on becoming the richest nation in Europe. The prospect of $50-a-barrel oil and a Saddam Hussein sitting astride the Middle East is as much Germany's problem as it is that of others. Turkey has understood that from the start. Ironically, it is technology supplied by 80 German firms suspected of violating the UN arms embargo that has put an edge to Saddam Hussein's chemical warfare threat. Germany's voice must be heard on the question of support for Turkey — else what is the value of mutual defense?

— THE WASHINGTON POST.

Hesitant, Haggling Europe

The longer and bloodier the Gulf war is, the sharper the question will be: Who helped, and who didn't? For Americans, that is a question about the markedly different performances of different European countries. For Europeans, it is also a question about the ghostly entity called "Europe," which wasn't there at all. The simultaneous eruption of the Gulf war and the Baltic crisis has made it clear that the unwieldy mechanism by which the European Community would like to shape a single foreign policy cannot do anything of the sort.

In the Gulf, only Britain among the countries of Europe went wholeheartedly into the fight against Saddam Hussein, with low-level, high-risk flights by its Tornado bombers. France hesitated, though it has now agreed not to confine itself to the southern fringe of the battle. Italy's air force has made a small but honorable contribution. Germany has provided only money (and less of that than Japan), plus a nose-in-air feeling that Germany is above such things as wars. The Community "Europe" in quotation marks, has played virtually no part at all.

In the Baltic mess, Britain, Denmark and others want to make it clear that they think Mikhail Gorbachev is behaving badly, and should therefore get less help from Europe. Germany, having staked so much on Mr. Gorbachev's reliability, does not want to say it may have been wrong. France hovers. The Community coughs, slightly delays one lot of aid to Moscow, puts off discussion of another lot, and looks confused.

It is not exactly an impressive performance. Would it have been any better if the suggested new foreign policy mechanism the 12 countries will be discussing in this year's conference on political unity were already in place? Almost certainly not; it might have been even worse.

The suggestion is that, to create an all-Community policy, the 12 heads of government first have to agree unanimously that they want such a policy. Their foreign ministers then decide what the policy is, by the process known as "qualified majority" voting. Under this process a combination of three, four or five countries (depending on their size) can block what the rest of the 12 want to do. As a variation, some people say that certain subjects should require unanimity from the foreign ministers too.

Apply this to the two current arguments, and the ensuing haggle can be imagined.

Germany might presumably try to assemble a blocking minority against any idea that what Britain and France are doing in the Gulf should be Community policy, because Germany would then have to do its fair share in the war. Britain and others would try to assemble a majority for withdrawing help from Mr. Gorbachev until he changes his Baltic policy, and Germany would conceivably set out to block this too.

Both sides would try to collect allies by the usual means of persuasion: financial favors, a supporting vote on some unrelated issue (social policy? regional funds?), maybe even a straight swap, my Gulf vote in return for your Baltic vote. It is a prescription for horse-trading, wasted time and a fatal dilution of will.

In actual practice, the 12 heads of government, seeing the danger, would probably duck the whole thing, and not even attempt an all-Community policy. But to say that is to admit the emptiness of much of the talk about European unity. The Gulf war and the Baltic explosion have shown that, when the big tests come, there is no such thing as a "European" point of view.

Europeans want to forget their old inter-European enmities. But the pulling together of Europe is not something that can be achieved by inventing new mechanisms, new layers of official colloquy. Even now the foreign minister of Luxembourg, the current holder of the Community presidency, is saying that the problem is just a "structural weakness." It is not. It goes much deeper.

The past two weeks have confirmed that the place called Europe contains many different peoples, each with its own sense of identity, its own view of the outside world, its own set of special interests: in short, its own instincts about foreign policy. Eventually, if history is kind, these different peoples may blend into one European nation. But it has not happened yet, and until it does happen it will be a delusion to think that mechanisms can make Europe.

INTERNATIONAL HERALD TRIBUNE.

INTERNATIONAL HERALD TRIBUNE
JOHN HAY WHITNEY, *Chairman 1958-1982*

KATHARINE GRAHAM, ARTHUR OCHS SULZBERGER
Co-Chairmen

LEE W. HUEBNER, *Publisher*

JOHN VINOCUR, *Executive Editor* • WALTER WELLS, *News Editor* • SAMUEL ABT, KATHERINE KNORR and CHARLES MITCHELMORE, *Deputy Editors* • CARL GEWIRTZ, *Associate Editor* •

ROBERT J. DONAHUE, *Editor of the Editorial Pages* • REGINALD DALE, *Economic and Financial Editor*

RENÉ BONDY, *Deputy Publisher* • RICHARD H. MORGAN, *Associate Publisher* •
FRANÇOIS DESMAISONS, *Associate Director* • JUANITA I. CASPARI, *Advertising Sales Director* •
ROBERT FARRÉ, *Circulation Director, Europe*

International Herald Tribune, 181 Avenue Charles-de-Gaulle, 92521 Neuilly-sur-Seine, France. Tel.: (1) 46.37.93.00. Telex: Advertising, 613595; Circulation, 612832; Editorial, 612718; Production, 630698.

Directeur de la publication: Richard D. Simmons

Editor for Asia: Michael Richardson, 5 Canterbury Rd., Singapore 0511. Tel.472-7768. Tlx: RS56978 Mng. Dir. Asia, Rolf D. Kranepuhl, 50 Gloucester Rd., Hong Kong. Tel. 8610616. Telex: 61170 Mng. Dir. U.K., Garry Thorne, 63 Long Acre, London WC2. Tel. 836-4802. Telex: 262009 Gen. Mgr. Germany: W. Lauterbach, Friedrichstr. 15, 6000 Frankfurt/M. Tel. (069) 726755. Tlx: 416721 Pres. U.S.: Michael Covoy, 850 Third Ave., New York, N.Y. 10022. Tel. (212) 752-3890. Telex: 427175 S.A. au capital de 1.200.000 F. RCS Nanterre B 732021126. Commission Paritaire No. 61337

© 1991, International Herald Tribune. All rights reserved. ISSN: 0294-8052.

Postwar Blueprint: Toward a More Stable Middle East

By Lee Hamilton

This is from a speech Thursday by Mr. Hamilton, Democrat of Indiana, who is chairman of the House subcommittee on the Middle East.

WASHINGTON — We must begin to plan for peace in the Gulf with the same kind of intensity that we have prepared for war. After the war, the challenges we face in the Gulf will provide the United States with an extraordinary opportunity to reshape the Middle East.

My guess is that we will emerge from this conflict with greater influence in the region, and greater risks to our interests. We do have a unique opportunity to define our role.

The first question is what constitutes winning the war. The president has stated limited objectives: the unconditional withdrawal of Iraq from Kuwait, and full compliance with the 12 United Nations Security Council resolutions. But his recent statements and our military actions suggest that our goals are expanding to include the surrender of Iraq and the destruction of its military.

These objectives stretch the meaning of the UN resolutions and will make more difficult the diplomatic tasks when the fighting stops. War may solve some of our problems. But it will create and worsen others.

In the end, most of the objectives we have sought militarily will also have to be negotiated. Israel bombed Iraq's nuclear facilities in 1981. But they were rebuilt. We are told these facilities have been destroyed again. But I suggest they will reappear if we do not negotiate successfully at the war's end.

What should the long-term security arrangements be for the region? From my point of view, several elements are necessary.

The United States should seek further prepositioning of matériel in the Gulf states. It should expand agreements with those states to have quick access to naval and air facilities. The U.S. and Gulf states should maintain military ties after the war is over, and continue close cooperation, especially in naval and air exercises.

But the United States may also need a greater physical presence. This could include a greater naval presence inside the Gulf and extended presence of U.S. carrier task forces and onshore support beyond the small facility in Bahrain. I doubt whether either public opinion or Congress would support the presence of U.S. ground forces in the region once the war is over. But greater ground forces will probably be necessary. My preference would be to use forces from the Gulf Cooperation Council, other Muslim countries, the Arab League, or the United Nations. The American forces, as much as possible, should be small in number, offshore and over the horizon.

The United Nations should take the lead in organizing a postwar peacekeeping force in Kuwait. A large component of that force should be made up of the Arab coalition partners.

How do we stop weapons proliferation and start regional arms control? No matter how successful the coalition may be, our proliferation problems in the Middle East are only beginning. Several countries in the Middle East have ballistic missiles, and several of these have chemical weapon capabilities. Others — Iraq, Iran — are working on nuclear capabilities, and there is little doubt that Israel has one.

When the fighting stops, we need to organize an international conference on weapons of mass destruction in the Middle East. All parties must participate, including Iran and Israel. All weapons must be on the table.

After the war, we should pause on future arms sales to the Middle East. A worldwide moratorium on arms sales to the Middle East is worth serious consideration.

We will also be facing a number of political challenges and very rare opportunities.

The Arab-Israeli issue will have to be addressed on both sides. The Palestinians have to be given hope. Yasser Arafat's support for Saddam Hussein has reduced his credibility and damaged the cause. The PLO leadership is in disarray.

But the Gulf crisis has also had an impact on Israel. Israeli restraint in response to Iraqi missile attacks is commendable. But Israel confronts a continuous state of war on its border.

For the United States, the challenge is to re-energize the peace process. The end of the war will lead to increased attention on the Palestinian issue. Now some argue the Israeli-Palestinian talks should be pursued first. Others argue that Israeli talks with Arab states should take precedence. These approaches are not mutually exclusive. I think both should be pursued.

Prime Minister Yitzhak Shamir's West Bank and Gaza election proposal of May 1989 is still on the table, and I understand the prime minister still supports it as the next step.

I do not know if it will be possible to hold a Middle East peace conference. Soviet-American sponsorship of talks may be easier than any international conference. I want to see direct talks between Israel and the Arab states, but for most Arab states, such talks may have to occur in broader international framework.

Deep political divisions in the Arab world will not heal quickly. Iraq and its supporters will likely continue to seek to make trouble for the United States and its friends. Kuwait, Saudi Arabia, the small Gulf states and Egypt, our coalition partners, will face enormous pressure for more representative government, for job opportunities, for sharing wealth.

Islamic fundamentalists will exploit political, economic and social frustrations. Lack of progress toward a Palestinian settlement will provide breeding ground for fundamentalism. Jordan, Tunisia and Yemen have had good ties with the United States in the past, but have not supported the coalition against Iraq. We have to rebuild some bridges.

Turkey hopes this crisis will pave the way for it to join the European Community. It will be seeking more U.S. economic, military and political support in the coming months.

Syria is helping the coalition in the Gulf war. It is going to seek some postwar dividends. That poses problems for us. We continue to be concerned about Syria's human rights violations and support of terrorism.

The Lebanese are looking to the United States for support and help.

So we need to help heal wounds and avoid vindictive policies against those who remain neutral or supported Baghdad. We need to help friendly states devise economic and political reforms, convince oil-rich states that they need to help poorer states, and provide assistance and encourage the active participation of our allies in the postwar reconstruction.

I doubt whether we should build up Iran to counter Iraq, or vice versa. I doubt we can rely on any regional states to ensure our interests. I doubt whether we have an interest in the destruction of any state, including Iraq. We do not want to create a power vacuum or destroy the regional balance of power.

New opportunities will arise with both Iran and Iraq. With respect to Iran, we should be receptive to efforts to establish new and better ties when it is willing and ready to settle outstanding issues. Iraq, of course, will be scarred by this war for years. Its people will have substantial and immediate needs. Iraq's misused oil wealth must be redirected. As Iraq reorients its priorities, the United States should not block international efforts to help the Iraqi people.

The United States should encourage, perhaps even pressure, Saudi Arabia, Kuwait and others to share their wealth. There will be no stability in the Arab world without some wealth redistribution.

In the wake of this war, the United States has important questions to answer in trying to define its role in the new world order. How long can we project power to the world's flash points if we continue to experience economic stagnation and recession at home? How far are Americans willing to go in support of the lofty principle that aggression shall not pay? If the United States does not play a world leadership role, who will?

International Herald Tribune.

Gorbachev: The Helmsman Adrift

By Michael Scammell

ITHACA, New York — How are we to reconcile the contradictory images of Mikhail Gorbachev? Should we think of him as the great liberator of Eastern Europe or as the demagogue who has sent tanks into Latvia and Lithuania and demanded a return to press censorship? Were perestroika and glasnost one more mirage in a long tradition of deceptions dating to Potemkin's villages?

The West's bewilderment in the face of his latest turnabout is understandable. Yet informed observers have been reporting for months that Mr. Gorbachev was far less popular in his homeland than in the West.

For some Soviets the problem was precisely perestroika and glasnost. Supporters of the old order detest these policies and blame them for the current bankruptcy of the regime. According to a prominent conservative critic, Mr. Gorbachev will be damned for millennia because the "emperor of perestroika" is naked.

Gorbachev as Hamlet? His indecisiveness has a long history.

For Soviet liberals the problem has been the reverse. When securing perestroika has required decisive action, Mr. Gorbachev has balked. Last fall he reneged on Stanislav Shatalin's 500-day plan for economic reform.

Just as damaging has been Mr. Gorbachev's chronic inability to implement an effective nationalities policy. Had his attempt to set up a Nationalities Council occurred two years earlier, it might have headed off the tragedy in the Baltics. Now the proposed council is irrelevant.

Gorbachev as Hamlet? Certainly his indecisiveness has a long history, dating to his hesitation to submit himself to a popular vote for president. Two years ago, Andrei Sakharov perceived Mr. Gorbachev's dilemma and warned that the Soviet leader would eventually have to choose between perestroika and the state apparatus.

Has Mr. Gorbachev then made his choice? Or is he a prisoner of conservative forces and therefore not personally responsible for the shootings in Latvia and Lithuania? It is hard to tell.

The trend toward a reversal of perestroika and glasnost started last fall with the rejection of the Shatalin plan and a campaign against the liberals in the Soviet media. Mr. Gorbachev has progressively accumulated power, while steadily ridding himself of liberal advisers and replacing them with yes-men and apparatchiks.

Until now Western commentators have generally concluded that Mr. Gorbachev's playing of left against right was part of a classic political balancing act on the Western model. Others have noted that his tactic of veering left and right to get rid of rivals was used by Lenin and Stalin.

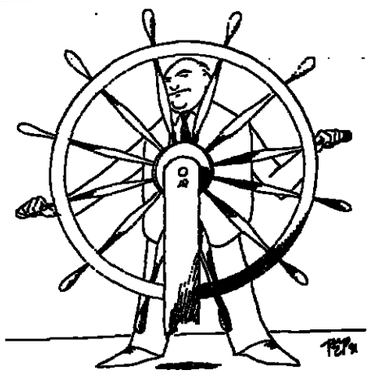
The authoritarian and conspiratorial nature of Soviet politics invites such stratagems, and it would not be surprising if a seasoned Communist like Mr. Gorbachev instinctively fell back on similar ploys. But he is a hybrid: a traditional Soviet leader steeped in communism who nevertheless has aspired to behave as a liberal democrat.

Mr. Gorbachev is not just a product of the Communist Party apparat and therefore a cynical manipulator. He is also an idealist (as his quixotic campaign against alcoholism demonstrated) and a member of that almost extinct species, a true believer in communism. Not the communism of Stalin and Brezhnev, nor even quite of Khrushchev, but certainly of Lenin.

When Mr. Gorbachev came to power in 1985 he revived the Khrushchevite slogan of a "return to Leninist norms." Liberals both East and West later persuaded themselves that this was a tactical move to discredit Brezhnevite neo-Stalinism and that once a certain amount of progress had been achieved Leninism could be dumped as well. But Mr. Gorbachev has dumped neither Lenin nor communism. To be sure, he was prepared to remove the word "socialist" from the name of the country, but this was a sop to the nationalities.

Mr. Gorbachev has never expressed less than total conviction that a future Soviet Union will be socialist and controlled by the apparat.

Viewed in this context, Mr. Gorbachev's policies take on a new coherence. His goal was a return not to capitalism but to something like Lenin's New Economic Policy of the early 1920s: a limited system of controlled free enterprise.



Jettisoning Eastern Europe was not a foreshadowing of what was to happen in the Soviet Union but a means of preserving the Soviet Union and its socialist form of society.

Letting the East European countries go was different from allowing any state to secede from the union. Lenin assembled that union; Mr. Gorbachev did not wish to be its destroyer.

This is the tragedy of the Soviet president. He wishes to improve the lot of his countrymen, to bring them prosperity, and even democracy up to a point, but within a socialist context.

Now Mr. Gorbachev has been persuaded by the hardliners that the only way to preserve the union and the machinery of state is the iron fist.

Perhaps he will be able to perform another miracle and extricate himself from the Baltics without more bloodshed. I suspect, however, that his days are numbered. If the conservatives regain power they will almost certainly replace him with someone more decisive and less idealistic.

And the liberals? They will never trust him again.

The writer, author of "Solzhenitsyn: A Biography," teaches Russian literature at Cornell University. He contributed this view to The New York Times.

A Turning of Tehran's Coat Cannot Be Ruled Out

By Omar al-Hassan

LONDON — If the first rule of self-preservation is to know thine enemy, the forces at war in the Gulf must keep in focus the most unlikely changes of costume.

A thickening fog, slowly descending on the region, is likely to disorient present loyalties. And when that fog lifts, there could be a return to the well-trodden path which, however precariously, links Arab to Arab and Muslim to Muslim.

The United States has executed the political aspects of the war with finesse and with a success surprising to many onlookers. It has achieved the unthinkable, forging an alliance that crosses borders and religions, linking the Muslim world with the West against an Arab Muslim state.

Yet no matter how hard the United States and its Western allies attempt to bend the Muslim countries into this new order, Saddam Hussein has already ripped the foundations from beneath the nascent configuration.

In their place he has restored the Islamic undercurrents of the region, never far below the surface. And the corollary of this Islamic sentiment is anti-Westernism.

Mounting demonstrations from Morocco to Pakistan testify to a reversal, at street level at least, of the more familiar order. That Iraq invaded a fellow Arab and Muslim state becomes obscured in the fog of war. Saddam has appealed to the Muslim world with relentless dedication against "imperialist, Zionist aggression," the "U.S. law of hegemony and domination" and the "treacherous plot" in "a battle between infidelity and belief ... between the good believers and the evil, corrupt ones."

The cry has met with a deep response, not because Saddam is a latter-day Nasser but because the perception of the war is now that of the West versus the Muslim world.

Nowhere is this more strikingly visible than in Iran, where foe is now friend. In Qom and Tehran, thousands have demonstrated against the "Western" attack on Muslim Iraq. Officially, Iran has not gone to Iraq's side, but it has demanded an immediate cease-fire and called for a meeting of the Islamic Conference to find an "Islamic" solution to the conflict.

This is not, however, to be translated into an Iran-Iraq alliance, a configuration dreaded but dismissed in the early days of the crisis. The Iranians do not see themselves as compliant puppets in Saddam Hussein's grand schemes. The Rafsanjani administration has kept the same demands: the removal of all foreign forces from the region and an immediate Iraqi withdrawal from Kuwait.

But war brings changes. There is public protest at the death of Shiite Muslims (65 percent of Iraq is Shiite) and at the threat to Islamic holy sites.

For now, Iran is unlikely to join its erstwhile enemy, something that President Hashemi Rafsanjani said Friday would be "suicidal."

But while the United States has made extensive efforts to deter Israel from retaliating against Iraqi missile attacks, the explanation has been only partial. For much as the allied forces are anxious to keep the coalition together, they are just as eager to keep Iran out of the war.

If Israel strikes Iraq, Iran will probably side with Iraq. This may seem an odd conclusion at a time when Iran is a principal beneficiary of the Gulf crisis. It has renewed diplomatic and financial links with the West, something President Rafsanjani has long sought.

To actively join sides with Iraq would breach international principles, would mean renewed isolation from the West, and would plunge Iran into a new war on the side of its recent foe. Iran might also lose a chance of gaining in geostrategic terms: Some speak of a defeated Iraq being divided between Iran and Turkey, possibly also Syria and Israel.

But the Tehran government faces another threat if it is seen to have stood back and allowed the decimation of an Islamic nation at Western hands. A determined populace might push the government to act.

The Iranian government — which has never renounced the anti-Western, anti-Zionist coloration of the 1979 revolution — might see other reasons to join with Iraq. It could reassert its dominance in the region by taking up arms as defender of Muslims. And it might finally eclipse Saudi Arabia in the rivalry for Islamic dominance.

As costumes gradually change, the allied forces already have at least one hand tied behind the back: They hope for a quick war, partly to help keep the lid on bubbling Islamic sentiment. But war, whether a short one with dramatic damage or a longer one involving protracted land battles, will slice a deep wound into the region, leaving an enduring scar across Western-Islamic relations.

It is essential that the leadership of the Western forces appreciate and address the fermenting emotions in the Islamic world, and seek to contain these forces before they erupt. This requires a shift from wholesale military escalation to renewed diplomatic activity against a backdrop of continued hostilities.

For the union of Iran with Iraq, with the almost inevitable rupture of the anti-Iraq alliance, would augur a war of dimensions not yet imagined, casting a dark shadow over relations between the West and the Islamic world for years to come.

The writer is a former ambassador to the Arab League in Britain and currently the chairman of the Gulf Center for Strategic Studies, in London. He contributed this comment to the International Herald Tribune.

Nobody Said He Would Be a Pushover

By A. M. Rosenthal

NEW YORK — Can you imagine? This war is a week old already and we don't even know yet when it will end!

What is more, it looks as if this fellow Saddam is so mean that he actually intends to hit us with those airplanes, tanks, missiles and poison weapons all our friends sold him.

And get this — our generals cannot predict every move in his war plans. Would you believe it — American pilots actually miss the targets on some bombing runs, despite all that fancy high-tech equipment. What is going on here?

What is going on here is a war against one of the most powerful armed forces in the world, run by one of the fiercest dictators, ready now as always not only to kill his enemies but to slaughter his countrymen by the million, in pursuit of empire.

What is also going on is a case of self-induced American jitters. That can be dangerous, so it is best to recognize at once where it comes from and deal with it before it deals with us.

On television and in the newspapers we are told over and over that Saddam Hussein's air force has not been destroyed, that we do not know exactly how badly Iraqi power has been damaged, that he remains an extremely powerful adversary.

All true. But something important is missing from many of the reports and commentaries.

What is missing is that none of this should be a surprise. Americans knew that Iraq was a militarily strong country and would not be easy to conquer. Each passing month Saddam made himself stronger. God help us if we had waited another year or given sanctions "time to work."

The only thing astonishing about the fact that he has not been mortally wounded in a week is that anybody in the press, military or public is astonished. Yes, things happen in wartime that are not quite as expected — such as the extent of the military communication system that the West built for Saddam and the number of Scuds that the Soviet Union shipped to him.

It is callous to call any war "short," but this one will last months, not years — unless we give him victory through panic brought on by unjustified jitters.

The problem may be that on the first night the American attack was so successful, American pilots so skilled, that Americans began fantasizing about an immediate Iraqi collapse.

The military was too enthusiastic about the damage to the hidden Iraqi air force, and there was journalistic talk about how the tank divisions of the Iraqi Republican Guard were being devastated.

Since then, I have detected a foot-stomping note of irritability and querulousness in the press questioning and some of the reporting. And in Saudi Arabia, one general started a briefing by announcing his detestation of the press; reporters should have walked out, leaving him alone with his stunted adolescence.

But apportioning blame for the jitters is far less important than calming them — with more truth, not less.

Defense Secretary Dick Cheney and General Colin Powell, chairman of the Joint Chiefs of Staff, helped with their full, lucid press briefing, but the Pentagon can do more to let Americans get the one thing that will help most — full reporting.

Right away, kill the Big Brother rule that a public information officer must be present when a reporter talks to a soldier. That puts an insulting zipper on the soldier's mouth. Americans will not believe what they read and hear; disbelief creates insecurity and nervousness.

Shunting reporters around in non-competitive "pools" makes the military the war assignment editor, deciding what should or should not be covered. End it; let reporters work independently within security realities.

Barry Zorthian, the American spokesman during the war in Vietnam, says reporters were welcomed by most soldiers — and never were a security threat. That will be as true in the desert as in the jungle.

The United States needs hard reporting in the war. What the country does not need, from the press or military, is astonishment that Saddam is in fact as strong as we made him.

For Saddam and his supporters in America and abroad, unjustified jitters would be one more powerful weapon, handed to him by us.

The New York Times.

100, 75 AND 50 YEARS AGO

1891: A Waste of Beer

LONDON — Teetotallers are rejoicing over the destruction of ten thousand gallons of ale brought about by a disastrous fire which occurred today [Jan. 26] at the Dudley and Wolverhampton Brewery Company's brewery at Dudley. The fermenting rooms caught fire and all the brigade were promptly in attendance, but efforts were futile. Twelve horses in the stables were rescued before the flames reached them. The damage amounts to several thousand pounds.

1916: Paris Parrot Shot

PARIS — A gloom has been cast upon the rue de Vanves, by the assassination of Vert-Vert, a parrot of affable disposition and loquacious habit. The unfortunate bird was exceedingly popular in the café where he lived and was unaware of any enemies as he chatted to the world at large from his perch yesterday morning. Suddenly there was a small explosion, and Polly fell from his perch. None saw the murderer, but an autopsy has discovered the treacherous pellet which laid Vert-Vert low.

1941: Nazi in New York

NEW YORK — A garrulous young German aviator with taped ears and an exuberant grin arrived in Grand Central Terminal yesterday [Jan. 26] eager to tell the world how he escaped from a Canadian prison train, hitch-hiked across the Laurentian Mountains, did a bit of sightseeing on Ottawa's Parliament Hill and wound up in Ogdensburg, N.Y. after rowing across the St. Laurence River. Baron Franz von Werra told authorities he previously fled from two British prison camps after being forced down in England on Sept. 7. Speaking perfect English, he told reporters he escaped so that he could return to Germany in time to join in a "knockout blow" against England in March.

— From the New York edition of the New York Herald Tribune.

هكذا من الأصل

هكذا من الأصل

AMERICAN TOPICS

Boss Is Always Right, Especially Just Now

The boss is always right, especially during hard times, says James E. Challenger, the president of Challenger, Gray & Christmas Inc., a Stamford, Connecticut, company that looks for new jobs for laid-off executives. "There are few times that the boss should be told that he or she is wrong," says Mr. Challenger, "and particularly not during unsettled economic periods."

He lists other on-the-job mistakes that may be tantamount to an unplanned resignation:

- Blaming others in the company for poor business conditions.
- Complaining about too heavy a workload.
- Requesting an advance on salary.
- Returning late from vacation or a long weekend.

Short Takes

With the help of a videotape recorded by a camera mounted in the victim's patrol car, two men have been arrested and charged with the murder of Constable Darrell Lunsford, 47, of Nacogdoches County, Texas, and a third is being sought. The constable apparently turned on the camera, commonly used to strengthen cases against drunken drivers, after stopping a car on a lonely stretch of highway, a police spokesman said. The "very sharp, very detailed" tape showed the constable being beaten by three men and then being fatally stabbed by one of them. The constable also was wearing a wireless microphone that transmitted the sounds of the confrontation to a tape recorder in his patrol car.

Thirteen years ago C. Edward Fisher, then 87, published a pamphlet titled "How to Live to Be 100 Years of Age." He died this month at the age of 100. At 74, he had an illness that left him in a coma for five weeks, but he made a complete recovery. In his pamphlet, Mr. Fisher, a retired Cincinnati bank examiner, outlined simple exercises to improve the circulation. He also recommended *moderation in all things.*

A move to build an entertainment center of 13 bars and restaurants in downtown Los Angeles, to make it more vibrant after office workers go home, is being contested by residents who say it would become all too vibrant. "On weekends," said Lloyd Staley, one of the downtown apartment dwellers who have signed a petition opposing the project, "staying downtown is a lot like going to a resort. It becomes really quiet. It's a great place to recharge your engines."

Municipal officials around the United States are beginning to use nuisance-abatement laws to close buildings where drugs are being sold, The New York Times reports. Such laws were originally intended to close massage and gambling parlors. Unlike operations aimed at suspected dealers, nuisance abatement cases are aimed at the buildings where drugs are being sold. They inconvenience drug sellers, who must find other places to do business, and directly penalize the property owner — almost always an absentee landlord with no direct involvement in the drug activity. "This will not erase the drug kingpins," said Charles E. Vose, assistant city attorney in Oakland, California. "But it is one of the most effective tools we have to bring relief to people whose neighborhoods have been terrorized." But many civil libertarians argue that the laws are based on a legal fiction. They assert that people, not buildings, are the real targets and that the tactic is effective precisely because it takes a shortcut around civil rights. For a building to be declared a nuisance and its tenants evicted, the authorities need not convict anybody; they need only demonstrate that there is compelling evidence — for example, arrests and community complaints — that the property is a public nuisance. Still, the laws have withstood court challenges. Government's right to act against property that affects public safety or health is long established.

Since Vermont banned highway billboards in 1968, roadsides have become a veritable zoo of advertising sculptures: a gorilla holding a car, a squirrel in red suspenders, a horse and a rooster. John Dunleavy, an assistant state attorney general, concedes that these are aimed at skirting the billboard ban, but says the state has never been asked to rule on the matter.

It's always foul weather when three Florida sports teams get together: the Orlando Thunder of the World League of American Football, the Tampa Bay Lightning of the National Hockey League and the University of Miami Hurricanes.

Arthur Higbee

Major Role for U.S. In Peru's Drug Plan

Rebels in Coca Area Would Be Target

By James Brooke
New York Times Service

RIO DE JANEIRO — Peru has drawn up plans for a multifaceted joint venture with the United States to fight coca-leaf cultivation, according to a detailed outline of the proposal received here.

To help Peru cut its coca harvest, the world's largest, the plan calls for the United States to provide *military and development aid and* debt relief. A new Peruvian "super ministry" would coordinate a multipronged effort to promote crop substitution and to attack traffickers and their guerrilla backers, a planner said Thursday in a telephone interview from Lima.

Hernando de Soto, a Peruvian economist, was to present the plan to U.S. officials on Friday in Washington.

Under the proposal, the United States, for the first time, would provide military equipment and counterinsurgency training to help Peruvian security forces fight Shining Path, a Maoist guerrilla group. The guerrillas protect growers and traffickers in Peru's main coca-leaf production area, the Upper Huallaga Valley.

The blueprint represents the first comprehensive drug strategy presented by the Peruvian president, Alberto Fujimori, since he took office in July. If President George Bush does not certify by March 1 that Peru is cooperating in the drug war, Peru will lose $100 million in military and economic aid.

In a break with previous Peruvian policy, the plan calls for the United States to help "feed, equip, train, outfit and adequately remunerate the police and armed forces who will be fighting drug trafficking and those who support" the traffickers.

Peru's spreading war with the Shining Path accounted for the majority of 3,384 Peruvians killed in political violence last year. The guerrilla group, which last week declared President Saddam Hussein of Iraq "a world hero," is believed to have carried out a dynamite attack Wednesday on an English-language school in Peru, the North American Cultural Institute.

In September, Mr. Fujimori rejected $36 million in U.S. military aid on the grounds that coca-leaf cultivation should be fought on many levels. With a four-month delay, the new proposal reflects that approach — aid for farmers and repression for traffickers.

To encourage Peru's estimated *200,000* coca farmers to switch to other crops, the government would improve roads in the Upper Huallaga Valley, would provide land titles, low interest credit and agricultural extension services and would slash government bureaucracy that strangles food production.

To spur food exports, Peru would cut domestic bureaucracy and would sign a free-trade pact with the United States, the 10-page anti-drug plan said. Mr. Bush has called for free trade between the Americas, and the United States is currently negotiating free-trade pacts with Chile and Mexico.

To attack drug traffickers, an elite military force would intercept airplanes, blow up laboratories and seize traffickers' assets. Other units would protect judges and special prisons, investigate corruption and minimize environmental damage caused by coca cultivation in rain forest areas.

100,000 Flee War in Somalia

United Press International

ADDIS ABABA, Ethiopia — Nearly 100,000 refugees have fled Somalia into neighboring countries in the last month, as fighting between government troops and rebels in the Somali capital, Mogadishu, has reduced the city to chaos, officials said Friday.

Most of the refugees have fled to Ethiopia, where an Interior Ministry spokesman said 84,000 refugees had arrived in four weeks. About half of these, according to United Nations figures, are "refugee refugees," Ethiopians who fled the 1977-78 Ogaden war and who have *now gone back to their homeland.*

At least 10,000 refugees have fled to Kenya, where President Daniel arap Moi appealed to Kenyans to make the fugitives as welcome as possible.

PUSH Is in Financial Bind

The Associated Press

CHICAGO — Operation *PUSH, the civil rights group co*-founded by the Reverend Jesse L. Jackson, has laid off its 12 employees because of financial problems, representatives of the organization say. They said most staffers would stay on as volunteers until the financial problems were resolved.

Kitty O'Shea's THE IRISH PUB — PARIS · DUBLIN · BRUXELLES
DUBLIN - 23 Lwr. Grand Canal St. Dublin 4 - Tel 608050
BRUSSELS - 42 Bd. Charlemagne, (Metro Schumann) Tel 230 7875
PARIS - 10 rue des Capucines (Metro Opera) - Tel.: 40 15 00 30
PRIVATE ROOM - FULL CATERING FACILITIES

BARETTO PARIS
AMERICAN BAR
Open from 8 a.m. until 1 a.m.
9-11, rue Balzac, 75008 Paris
Tel.: 40.75.04.39

Spring - Summer
1991 COLLECTION
Press show:
January 28th - 9:30 a.m.
Ecole des Beaux-Arts
2nd showing:
by appointment only
January 31st - 11 a.m.
GIVENCHY
3, Avenue GeorgeV 75008 Paris - Phone: 47.23.81.36

Dining Out

AMSTERDAM

HAESJE CLAES
Real Dutch Cooking. Open from lunch until midnight. Spuistraat 275. Tel.: 24 99 98. Reservations recommended. All major credit cards.

Turkuaz
Authentic Turkish cuisine and entertainment. Daily live music and belly dance. Kitchen open 14.00-24.00. Nieuwe wijds Voorburgwal 169. Tel.: 229919. Creditcards accepted.

FLENSBURG

CHEZ PAUL
"Hotel of the North" * German/Danish Border * B 200 * Delicious French cuisine in one of the best and charming restaurants in Northern Europe. Phone 0461 - 7020.

PARIS 1st

AUBERGE DE FRANCE Conoli Carr
Bar - Restaurant - Warm Welcome. French and Irish cooking. 1, rue du Mont Thabor. Tel.: 42.60.60.26.

L'ALSACE AUX HALLES
Shellfish. Fish. Choucroutes. Day and night. 16, rue Coquillière. Tel.: 42.36.74.24.

PARIS 6th

YUGARAJ
Of all the Indian restaurants, this is by far the best & most authentic. (GAULT-MILLAU). Closed Monday. 14, rue Dauphine. Tel.: 43.26.44.91.

PARIS 7th

CHEZ LES ANGES
In the Michelin Guide. Burgundy Spec. Gastronomical cooking. Cl. on Sun. eve. 54, Bld. Latour-Maubourg. Tel: 47.05.89.86.

THOUMIEUX
Specialties of the South-West. Confit de canard & cassoulet au confit de canard. Open everyday. 79 r. St-Dominique. Tel.: (1) 47.05.49.75. Near Invalides Terminal.

PARIS 8th

LE TAGORE DU BENGALE
The second "Tagore" in Paris. Muglai specialties. One of the best exotic foreign restaurants in France. 17, rue Treilhard. Tel.: (1) 45 61 15 14.

PARIS 15th

LE TAGORE
The new Parisian Indian restaurant, Mugloi specialties, surely one of the best among the foreign restaurants in France, two "Toques" in the Gault et Millau 1990. 25, Ave. du Maine. Tel.: 45.44.94.41.

LE WESTERN
The american restaurant in Paris. Formula Western F.Fr.230, bev. excl. Open daily. Tel. 42.73.92.00. Paris Hilton - 18, ave. de Suffren.

PARIS 17th

CHEZ FRED
Lyonnais bistro, traditional French cooking. Daily specialties. Closed Sundays, 190 bis, bld. Pereire, 75017 Paris. Tel.: 45.74.20.48.

PARIS 17th

PETRUS
Restaurant specializing in fish. Menu 240 FF TTC. Service until 11 p.m. every day. Valet service. 12, Place du Marechal Juin. Tel.: Res. 43.80.15.95.

ROME

DA MEO PATACCA
Trastevere. Rest. famous for fun food, music & folklore. 00153 Rome, Piazza De Mercanti 30. Tel.: 06-5816198, 5892193. Fax 582552.

VIENNA

KERVANSARAY
Turkish & Int'l specialties, lobster bar, best seafood restaurant, 1st floor. Mahlerstr. 9. Tel.: 5128843. Air conditioned. 80 m. Opera. Noon-3 p.m. & 6 p.m.-1 a.m., except Sunday. Open holidays.

Shouldn't you be reading commentary like this —regularly?

Planning for Progress After the War Is Won
By Leslie H. Gelb

NEW YORK — Contrary to frequent charges, Bush administration officials are thinking about the postwar peace process. The discussion of their businesscurring will displease knee-jerk advocates of an international Mideast conference and give Yasser Arafat a well-deserved diplomatic body blow.

The ideas, and they are only ideas at this point, are primitive and sound more to a political cue. But they spring from the shocks of war and the power of dreams — the stuff that breakthroughs are made of.

One track, encased in regional plans for economic development and arms control, would pave the way for negotiations between the region's major Arab states and Israel. Not a Mideast conference, but diplomacy.

The second track would be land for peace. Israel would offer to West Palestinians (or would be willing to negotiate for PLO from PLO

to convince them that the conference might serve a useful purpose if convened later rather than sooner.

The right partners to start negotiations are Israel and Syria, under the rubric of a Madrid-style conference on military and economic cooperation. They hold the key to future stability in the region.

The pivotal questions is President Hafez Assad's willingness to play. His historical interest would be to reach for accelerated leadership of the radical Arab world, whatever Saddam's possesses after the war. But Mr. Assad is neither a romantic nor a masochist. He is a pragmatic power

Awaiting The Missing Air Force
By Peter D. Zimmerman

WASHINGTON — It started out like a Tom Clancy kind of way. The first blow was struck by F-117 fighters, slipping in under Iraqi radar at night to fire two 2,000-pound laser-guided bombs down the tunnel system of hardened targets with the intention of heads sliding down a taut string. The first Patriot missile south intercepted a Scud missile above Dhahran. High-tech weaponry seemed to be on

price from the Iraqi the holding the coalition fighters.

After a few days an expansion campaign of the U.S. Air Force aircraft [illegible] Targets list [illegible] destroyed. After

Don't Expect a Big European Role Anytime Soon
By William Pfaff

PARIS — A by-blow of the war in the Gulf has been demolition of the idea that there is a "European" capable of constructing a coherent foreign policy. Past efforts to find a common policy through consultations among the European foreign ministers have produced anodyne statements on noncontroversial matters. Now the Gulf has demonstrated that the European powers are deeply di-

There is no European foreign or strategic policy, and there will not be one for a long time to come, if ever.

vided, not [illegible] the Gulf but on

one would think — that France will have a "decisive" or "important influence on how the affair comes out.

Before Jan. 15, polls showed a majority against French participation in combat (only 27 percent were in favor). That explains why President François Mitterrand conducted so persistent an effort to find a negotiated solution, offering Iraq-friendly promises to Iraq that infuriated Washington. He was covering his back, politically. By so doing he actually made possible the dramatic shift in favor of the war that now has taken place.

Mitterrand opposes everywhere is fragile. The war exacerbates internal problems in all the European countries with major Muslim minority populations. Germany's decision to [illegible] ups of Turks [illegible] are wrongly

Opinion in the Netherlands is doubtful, and the Danes (and Swedes) have done their best to pretend that none of this is happening, or at least that it has nothing to do with them.

But this should scarcely be thought strange. Governments and opinion are reacting in predictable ways. British and French have the habits and reactions of traditional great powers; they expect to play a role in events. Italy, the Netherlands and Denmark do not, their historical experience counsels them to stand apart.

The Britain are also a personal and moral people, as a member of Parliament said last week, with satisfaction. Their approval of this war is even higher than their approval of the Falklands campaign eight and a half years [illegible] was high enough

tunes are determined — as some quarters acutely hypersensitive so — to have as little as possible to do with the new west. The Germans fear themselves. Washington does ill to ignore this.

Those differences brought into the open by the Gulf crisis explain why there is no common European foreign or strategic policy, and why there will not be one for a long time to come, if ever. Europe is a community of economic interests and political values. There is agreement on postwar and political defense of those interests and values. How actively to advance them is another matter, on which no agreement exists. Europe is not a political reason, a "European" great power. It may never be.

International Herald Tribune.
© Los Angeles Times Syndicate

Make sure you get your IHT every day. Subscribe now and save up to 50%.

Herald INTERNATIONAL Tribune

Country/Currency		12 months (+52 issues)	ONE-YEAR SAVINGS	6 months (+26 issues)	3 months (+13 issues)
Austria	A. Sch.	5,100	4,000	2,600	1,300
— hand delivery Vienna	A. Sch.	5,400	3,700	3,000	1,600
Belgium	B.Fr.	11,000	9,000	6,000	3,300
Denmark	D.Kr.	3,300	1,200	1,700	900
Finland	F.M.	2,000	1,440	1,100	600
France	F.F.	1,400	1,484	680	485
Germany (west)	D.M.	600	492	330	182
— *hand delivery	D.M.	880	292	446	227
Great Britain	£	150	123	82	45
Greece (mail)	Dr.	40,000	32,000	22,000	12,000
— hand delivery Athens	Dr.	50,000	22,800	28,000	15,500
Ireland	IR.	155	173	85	47
Italy	Lire	450,000	350,000	250,000	138,000
Luxembourg	Lfr.	11,000	9,000	6,000	3,300
Netherlands	fl.	600	583	340	185
Norway (airmail)	N.Kr.	2,500	1,800	1,400	770
— **hand delivery	N.Kr.	3,000	1,368	1,650	910
Portugal	Esc.	31,000	34,500	17,000	9,300
Spain (mail)	Ptas.	35,000	28,700	19,200	10,600
— ***hand deliv. Barcelona Bilbao, Seville, Valencia	Ptas.	38,000	25,700	20,900	11,500
— ***hand deliv. Madrid	Ptas.	54,600	—	27,300	15,600
Sweden (airmail)	S.Kr.	2,200	1,804	1,210	665
— **hand delivery	S.Kr.	2,800	1,204	1,540	859
Switzerland	S.Fr.	500	539	275	150
Rest of Europe, N. Africa, Israel, French Africa, Middle East	$	500	Varies by country	275	150
Rest of Africa, Gulf States, Asia	$	600		355	195
Central/Latin America	$	600		330	180

Yes, I want to start receiving the IHT.
This is the subscription term I prefer (check appropriate boxes):

☐ 12 Months (364 issues in all with 52 bonus issues). ☐ 6 Months (182 issues in all with 26 bonus issues). ☐ 3 Months (91 issues in all with 13 bonus issues).

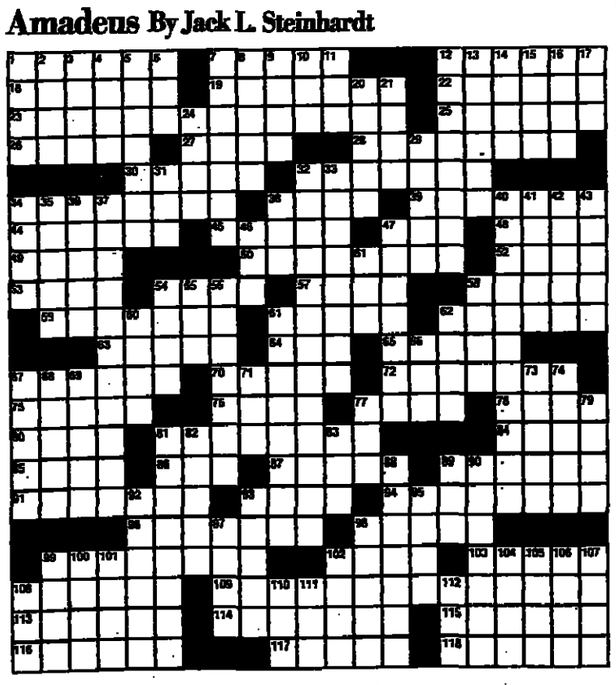
☐ My check is enclosed (payable to the International Herald Tribune). ☐ Please charge my: ☐ American Express ☐ VISA ☐ Diners Club ☐ Access ☐ MasterCard ☐ Eurocard

CARD EXPIRY DATE _____ SIGNATURE _____
CARD ACCT. NO. _____
NAME _____
ADDRESS _____
CITY/CODE _____ COUNTRY _____
TEL./TELEX/FAX _____ 26-1-91

Return your completed coupon to: Subscription Manager, IHT, 181 Avenue Charles-de-Gaulle, 92521 Neuilly Cedex, France.
This offer expires March 31, 1991, and is available to new subscribers only.

* For information concerning special hand-delivery in major German cities call IHT Germany at: (069) 69.48.92 or fax (069) 69.48.94. Rates do not include free issues.
** At these rates, you can get morning hand delivery in the following cities: Oslo, Stavanger, Stockholm, Goteborg and Malmo.
*** At these rates, hand delivery is available by morning in Barcelona, the same day in Seville and Valencia and the next day in Bilbao. For Madrid, hand-delivery is available by morning, but without the free issues.

Amadeus By Jack L. Steinhardt

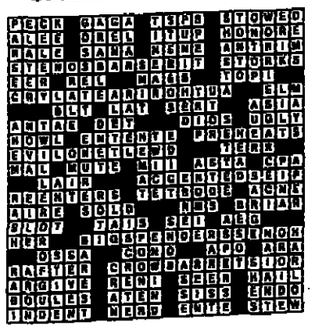


© *New York Times, edited by Eugene Maleska.*

ACROSS
1 West Coast nine
7 Juniper
12 He cameth before the refrigerator
18 Apply chrism
19 Intimidate
22 Comb. form for 12
23 Mozart's bride in 1782
25 Frittata, e.g.
26 A deadly sin
27 Unsubstantial
28 Mental inventions
30 Mansard borders
32 Diarized
34 Comes earlier than
38 Arithmetical sign
39 Incongruity
44 Outlying
45 Mecca for turiste
47 Jay's cousin
48 Thought: Comb. form
49 Calcar
50 Italian town or gulf
52 Roman historian
53 Boxlike sleigh
54 Absquatulated
57 Alpha, beta and gamma
58 Man's slipper
59 Esculents
61 Bolt-head sides
62 N8lick sockets
63 Invocational figure
64 Jeep mfr.
65 Standoffish
67 Mathematically validated
70 Dike, Emomia and Irene
72 Balloon cabin
75 Salieri, to Mozart
76 Kin of "By Jove!"
77 Rostrum
78 Lurch
80 Uniform
81 Pine cone
84 Grown-up chigger
85 Set of three
86 Sounds at a shower
87 Gula and cyma
89 Reserves
91 Stipulation in a contract
93 — the Impaler (15th-century Romanian prince)
94 Butter makers
96 Of a Mesolithic cultural stage
98 Conductor Walter
99 Rouen rooms
102 Harsh; bleak
103 Offensive odor
106 Radio's "— the Magician"
109 Mozart opera: 1791
113 Sadware alloy
114 Racine tragedy: 1691
115 Home of Abraham
116 Velarium, e.g.
117 Teams of horses
118 Emulated Red Jacket

DOWN
1 S. American rodent
2 Shortly
3 Vietnamese monetary unit
4 Upheave
5 Importune
6 Dep.
7 Most comfortable
8 Tinker's target
9 "... — -feather'd sleep": Milton
10 Modern art
11 Mortar-mixing tool
12 Mozart opera: 1781
13 Dermal blemish
14 Whence the Pison flowed
15 Deliquesce
16 Tops
17 Actor Pendleton
20 Certain fabrics
21 Where Perry *triumphed*
24 Wheel hub
29 Millet
31 Bolted
32 Film featuring Mozart's Piano Concerto No. 21
33 Nudnik or buttinsky
34 Buttress
35 "George White's Scandals," e.g.
36 Correct
37 Mozart opera: 1787
38 Through; for each
40 "Amadeus" director
41 Stop on —
42 Demolish
43 Vacillates
46 Punty or mandrel
47 Defile
51 Nautical chain
54 Spanish custard
55 Actor Cariou
56 Williams and Ralston
58 Crucifix
60 Chanteur Jacques —
61 Plane curve
62 Nene cry
66 Chilean stream
67 Disturbed ghost, in Hindu myths
68 Moon or Spoon
69 Unconcealed
71 U.S. satellite
73 French area, rich in coal
74 Permute
77 Apoidea member
79 Slighter
81 Mozart's birthplace: Jan. 27, 1756
82 Possessive adjective
83 Conducted
88 Sopherim
89 Phoebus
90 Suggest; volunteer
92 Whitman died here: 1892
93 Call on
95 Scottish philosopher: 1711-76
97 Wife of Tyndareus
98 Bobby Orr was one
99 Use maxilla and mandible
100 A "Shampoo" star
101 Oppositionist
102 Jamboree
104 Its chief town is Portoferraio
105 Illegality
106 Western Indian
107 Lacerate
108 Acct., often
110 Querying sounds
111 Use a ray gun
112 Between pt and sigma

Solution to Last Week's Puzzle



Casualties on the Art Front

Avant-Garde Takes Beating in New Sales Climate

International Herald Tribune

SOUREN MELIKIAN

PARIS — War, thousands of miles away, is leaving its mark on the Western art market. It is precipitating changes that were in the making and bringing out underlying weaknesses, as well as the inherent strength of some areas.

On Sunday at Drouot, where Guy Loudmer was holding an early season sale covering a wide range of 20th century schools from Neo-Impressionism to art of the 1980s, figural art came out as the winner and avant-garde Contemporary, in its more extreme forms as an outright loser.

Georges Valmier's tiny still life fetched 75,802 francs.

Landscapes and still lifes executed in the wake of Neo-Impressionism with a touch of Fauve influence went down very well. This applied to the most modest drawing by second-rank artists, which could easily have fallen victim to the current atmosphere of economic gloom compounded by the psychological pall of war. Emile Othon Friesz, whose Fauve phase in 1904-06 can be attractive and vigorous, was represented by his production of the 1920s, bland and banal. A drawing in pen and India ink, broadly sketched yet confused, found a buyer at 1,690 francs ($335). This was followed by a more elaborate harbor scene with masses of white clouds, dated 1927, which made 10,704 francs.

When great names cropped up, the works to which they were appended hit the high estimate even when not representative of the most-sought aspects of the artist's oeuvre. A red chalk study of a nude woman lacked any redeeming feature that might differentiate it from countless academic sketches. Enhanced by the signature of Aristide Maillol, it went up to 16,901 francs.

MORE surprising, a large drawing in pencil and wash by Francis Picabia, who started as a Neo-Impressionist, became influenced by Cubism and turned to Dadaist Surrealism as World War I ended, brought 27,784 francs. Done in the 1930s, "La Femme et le Hibou" shows a nude on drapes with an outsized owl next to her, staring at the viewer. The cult of the absurd tamed into academic kitsch.

Another instance of a relatively high price for an atypical work was provided by Jules Pascin's "Jeune fille en bleu," sold for 52,450 francs. The small portrait of a working-class girl seated three-quarters is competently done in shades of lavender blue in a mix of wash, gouache and oils. It lacks the faint whiff of Expressionism and the cheap eroticism for which Pascin is mostly sought after.

The return to the figural is best illustrated by the success encountered by the later recruits of Impressionism that are not among the easiest to sell. Charles Camoin who exhibited his work in the historic Cage aux Fauves in the Paris 1905 Salon, later blended Neo-Impressionism and the Fauvist heritage into a mildly modernist style that now appeals to the French middle class. A tiny still life, 12 by 20 centimeters (4.7 by 7.9 inches), still retaining something of the Fauve energy, shot to a hefty 35,300 francs.

Compared with this, Emmanuel de la Villéon's "Le Parc de la Pesselière," probably done around 1910-14, was a bargain at 41,793 francs. The elongated horizontal landscape illustrates the French aristocrat's work at its most attractive. Blending the feel for light of late Impressionism with a distant touch of Barbizon school Romanticism, a Fauve sense of strong colors and the broader brushwork of an artist aware of nascent Abstractionism, it may not be great but it is intensely poetic.

It shares that quality with Maximilien Luce's "La Baignade à Bersy-sur-Cure." The small panel, 23.5 by 33 centimeters, sold for a stiff 65,187 francs. Figures on a river bank are seen at dusk against a backdrop of water reflections and flickering light amid the foliage of trees. Done in 1906, this is an enchanting little picture to live with. It might not meet with the approval of specialists — Loudmer says its manner is a bit loose — but it is very much a private buyer's choice.

Interestingly, the other 20th century figural schools, whether Cubist, Expressionist or Surrealist, were equally well received. Three of the minute gouaches in pastel colors that Georges Valmier used to do in the 1920s as preliminary studies for his Cubist compositions in oils climbed to 86,417, 65,187 and 75,802 francs respectively — very respectable figures indeed, even if exaggerated estimates seem to suggest the contrary. Even abstract Cubism squeezed through here and there, from Serge Charchoune's "Composition with volutes and spirals" of 1944, to a pastel by Henri Goetz. The familiar names helped.

What failed completely by contrast was inorganic Abstractionism or incomprehensible figuration. James Coignard's haphazard staining and smearing went by the board. "Mannequin et tête orangée," figural in title but hardly so in fact, was unsold at 42,000 francs.

The most devastating rejection of nonsensical avant-garde came that same afternoon at Drouot Montaigne, the elegant location below the Théâtre des Champs-Elysées supposedly reserved for major auctions. Pierre Cornette de Saint-Cyr held the hammer and the subject was "L'Art Moderne et Son Concept No. 2." A subtitle on the catalogue cover specifies "Le choix de Sylvana Lorentz et Ghislain Mollet-Viéville," both identified as experts on the inside page.

The session got off to an unfortunate start with a large realistic portrait of Lorentz in the nude, nonchalantly reclining, fan in hand, amidst the debris of human bones. A caption painted above her body explains: "Portrait de Sylvana Lorentz en blonde avec les restes de ses artistes." Ben, the artist, appended his signature in black paint and added in the right corner, in white paint, "Benet." In French *benêt* means "nincompoop." Those attending, deferring to such self-incrimination, left the portrait unsold at 55,000 francs.

THIS was the first of a long succession of failures of every kind imaginable, including works that defy characterization and have little point beyond that. An artist introduced as "Ernest T." whose name is followed by the rhetorical question in parentheses "(Born in: ????)," produced a circular band with an inscription in block letters reading "Association des Peintres Peignant avec la Main." Ernest T. then photographed it, laid down the photographic print on aluminum, dated it 1983, signed it on the back and, presumably, waited hopefully for seven years. He may have to wait a little longer. The work was unsold at 38,000 francs.

His American colleague Robert Barry fared no better with a "wall piece" titled "Yes it is — finally — you too — no longer — remember — waiting — apparent — may be." This is a "drawing," 26.2 by 28.3 centimeters, with the words written in black letters along the edges. The buyer is cordially invited to write them on "an intense red wall." But no one obliged. Barry's would-be red wall went down at 68,000 francs.

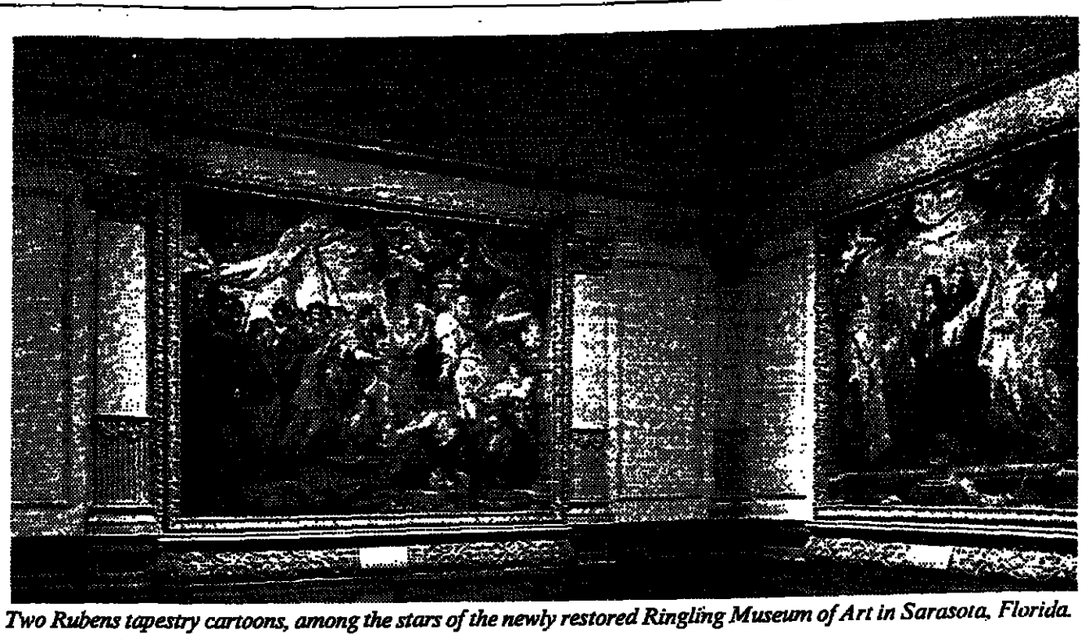
Here, better known names made no difference. From Joseph Beuys, a shovel titled "Pelle" (to call a spade a spade) was rejected at 60,000 francs. Anyone feeling sorry will have another chance. The shovel was produced, or rather, numbered in an edition of 35 (without the number, and thus the artist's creative selection, it may be found in hardware shops under the tradename Eicher).

At the end of the day only 37 of the 96 pieces presented by Cornette de Saint-Cyr managed to sell. They added up to just over 2 million francs, versus 4.8 million francs for the unsold.

The contrast with the sale of Old Master drawings conducted on Thursday by Lucie Solanet of the Audap, Godeau, Solanet group could not be greater. Towering above the rest, there was a rarity — a composition in pen and brown wash by Caravaggio such as has not been seen at auction in the last 15 years, according to the expert Bruno de Bayser. Despite some restoration, it climbed to 319,950 francs (about $65,000) paid by Hazlitt, Gooden and Fox of London.

A sprinkling of interesting drawings from a wide range of schools and periods made the sale attractive to collectors, who crowded the room. A very pretty view of some Italian or Provençal borough done by Jean-Jacques de Boissieu (1736-1810) in pencil and gray wash brought 15,211 francs. A French collector paid 49,265 francs for a 16th century study of an altar, which de Bayser says on second thought might be from a Fontainebleau-school artist, making it more desirable than the Italian drawing it was catalogued as. The buy-in rate, in financial terms, 25 percent, was higher than usual by de Bayser's standards but reasonable compared with some London sales.

The reason is largely that dealers held off, leaving it mostly to collectors. Pretty much the same had been observed in Loudmer's sale, where only six out of the 112 works that sold — 12 percent in money — were acquired by professionals. This highlights the strength of private buying in Paris, unmatched in London, but it also points up the deep freeze of gallery transactions. Weak in December, activity dropped further early this year. Since Jan. 16, it has virtually been at a standstill.



Two Rubens tapestry cartoons, among the stars of the newly restored Ringling Museum of Art in Sarasota, Florida.

Ringling's Other Big Top

By John Russell
New York Times Service

SARASOTA, Florida — Ten years ago, the John and Mable Ringling Museum of Art here was widely thought to be a subtropical sleeping beauty in a terminal coma. It still had its glorious and unspoiled site on Sarasota Bay. A copy of the "Apollo Belvedere" still stood before the front door. Out back, a copy of Michelangelo's "David" stood guard before a backdrop of palm trees.

After an extensive, $20 million restoration, the museum reopened this week, and one of the more challenging of American aesthetic adventures is once again available at full strength.

In terms of quality, and in particular of unquestioned masterworks by uncollected Italian Old Masters, the Ringling Museum is in a class of its own. Its galleries — once written off as outdated and unmanageable — now look like majestic survivors of an era that set no limits to ambition. As much could be said of the Italianate fantasy of the again immaculate exterior.

The initial impact of the reborn museum is owed to the installation of the four gigantic tapestry cartoons by Rubens. Bought in 1926 from the Duke of Westminster, at a time when very few collectors wanted such large paintings, these are shown in a 40-foot-high clerestoried gallery that has been restored to its original uncluttered and monumental proportions.

The nine-year project was a team effort led by Lawrence J. Ruggiero, its director since 1985. Rosilyn Alter, curator of Italian painting, and Michelle Scalera, head of conservation, were joined in particular by George Sexton, internationally known as a master in the field of lighting and design. The state of Florida provided nearly $18 million; other support came from corporate and private donors.

Half a century in a destructive climate had brought the building near to dereliction. Galleries had been cut up into offices or remodeled in ways that now seem ridiculous. Conservation of paintings was way in arrears. Roach-ridden tapestries were stuffed away below stairs. The word "air-conditioning" might as well have been in Swahili for all that was done in its name. An overall review of the collection in terms of up-to-the minute scholarship had yet to be attempted.

It was also believed that there was something faintly comical about John Ringling himself. He thought big, in ways that predated "Citizen Kane," and he had an uninhibited delight in getting his own way, no matter what the old-style connoisseurs would say.

If he wanted to buy up the bar (and all its fittings) from his favorite hotel in St. Louis, he went ahead and had it shipped to the Venetian Gothic palazzo he had built near the museum. And if he thought that palazzo would be all the better for ceiling paintings by Willy Pogany, well known at the time for his sets for the Ziegfeld Follies, he had Pogany go to work.

IT was also said — often with no first-hand knowledge — that among the 600 and more European paintings that he had bought between September 1925 and March 1930, there were many that were not what he had believed them to be. His Titians were not by Titian, his Caravaggio not by Caravaggio. He might be a great man in the world of the circus, in real estate and as an entrepreneur in general, but a connoisseur he was not.

But his judgment was vindicated when his "Philip IV" was included in the recent Velazquez exhibition at the Metropolitan Museum of Art in New York and the Prado in Madrid. And there were European scholars who made the journey to the end of the line and marveled at what they found. No mere accumulator would have bought at auction in London (and for way less than $100) the first painting by Guercino to enter an American museum.

For less than $200, Ringling had bought a major painting of Mars and Venus by the 17th century French master Simon Vouet at a time when few American collectors were scrambling for Vouet. And when Pietro da Cortona's "Hagar and the Angel" came on the market, he quietly latched onto it, thereby acquiring a marvel of elegance and sweet feeling that gives a new echo to the often misread word Baroque.

Essentially, he bought in a relatively unpopular field. Italian and Flemish 17th century paintings were not much sought after in the late 1920s, and even his favorite Rubens was thought to be daunting on the huge scale that Ringling favored. Slimmed down and installed as it is today, the collection comes across as one of the most original of its kind and size in the United States.

Since John Ringling died in 1936, the collection has been increased along the lines that he laid down. Everett A. Austin Jr., director from 1946 to 1957, made himself felt over a gamut that ran from Rubens to Tiepolo. He also acquired (for exactly $8,000, shipping costs included) the complete small opera house from Asolo, Italy, which is in regular use. Furthermore, he was certainly the only museum director to have driven up to the state legislature in a white Rolls-Royce before delivering an appeal for support that converted every one of the astonished legislators.

But the real triumph of the resuscitated Ringling Museum lies in the order, the lucidity, the imagination and the technological skill with which it has been reinstalled. As always, a favorite painting with every visitor is Piero di Cosimo's "Building of a Palace." Now, the museum will show that it, too, can be the model of a palace reclaimed and rebuilt.

LONDON FASHION

Bohan Pitches for the Princess

International Herald Tribune

SUZY MENKES

LONDON — Marc Bohan has been crowned king of British couture. Queen Elizabeth trotting down the runway could hardly have been greeted with more enthusiasm than Dior's former designer in his first show for Hartnell — dressmakers to the royal family, whose gilded seals decorated the podium.

From the moment that Joan Collins swept in, false eyelashes fluttering and white turban hat held high, it was clear that this was going to a rare London sighting of a Fashion Event.

Paparazzi lenses popped at La Collins, at Sally Burton, Richard's glamorous widow, at the unstoppable legs of Laetitia Scherrer, who braved the flight from Paris with her father, couturier Jean-Louis.

Bohan's American clients held off because of the war, but a strong French contingent included Denise Dubois, an official of the Paris couture syndicate; Dominique Antientis, who had designed the jewelry, and Nan Legeai, president of Céline and hot tip as new director for Dior.

And here, to prove that bygones are bygones, and that good suits last for ever, was Anne Amault, wife of Dior's chairman, Bernard, who had unceremoniously dumped Bohan two years ago. She was resplendent in a purple Dior suit of Bohan vintage.

"We all like Marc a lot and I love what he does," she said. "But I don't think I will be buying."

Bohan opened the show with clothes that won't frighten the queen's horses, but will be just right for watching them run around the racetrack: little suits with cropped jackets in the bring-back-the-'60s mood; more solid suits with long jackets and pleated skirts. They came in pinstripe suiting and what Bohan might hope to call Princess of Wales check.

His pitch for the princess included sequined T-shirts to give a youthful zip to sober suits and simple shantung dresses in fondant colors with a brief burst of pleats at the knees. Then there were the witty hats (designed by Royal College of Art graduate Philip Treacy), which no British royal dare be seen without. They came in curls of straw like an upmarket ice cream cornet, in beehives and even as a towering busby — the guard's bearskin — made in net.

Bohan's royal masterstroke was his Queen Mum coats, in floating floral organza over a skinny dress. These flower prints must be the way to win the hearts and wallets of British women.

Those in the marriage market can show a leg in slithering crepe evening dresses, with short skirts under longer panels at the back. They can indulge an English love of costume party clothes by dressing as a medieval maiden in a high-waisted dress and lattice-beaded sleeves. They can remember the hippies with mirror embroidery on the bodice. Or they can do the real Parisian thing and slink in the Little Black Dress, decorated by Bohan with flashes of silver.

British women, who have a sweet tooth for fashion, will love his fondant colors — sugar pink, apricot, primrose and the pale "Hartnell" green that decorated the refurbished 1930s salon, where a party was held after the show.

It was a good debut collection from a man who knows his job. The evening wear was cut with the skill and light hand that comes from a lifetime in haute couture and the tiny Hartnell atelier, which had worked right through the night, made fine work of the dresses. The perky tailored suits for which Bohan is known, needed a French tailor to fit the skirts.

Potential clients were already placing orders after the show, said Hartnell's director, Manny Silverman. Ghislaine Maxwell, daughter of the publishing tycoon, praised the short dresses.

"I hope mummy is feeling generous," she said. Others described the collection as "sensible and really wearable" while Sally Burton admitted to mild disappointment.

"I am so pleased, so happy and everyone has been so kind," said Bohan, who received personal good wishes from many of high fashion's family, including Christian Lacroix and Karl Lagerfeld, who sent a sketch which showed Marc with Queen Elizabeth wearing the garter where she usually does not.

Hartnell's show was the climax of British couture week in which Anouska Hempel netted a royal — Princess Margaret in deep black court mourning for King Olav of Norway. Also front row was the actress and former model Twiggy, who was flattered to find a dress named after her. The 1960s shift was the theme for skimpy dresses, pretty in white lace or red crepe with curvy cut-outs. The evening clothes, which are Hempel's forte, were in fluid fabrics cinched, puffed or pin-tucked into shape.

Christopher Moore

Victor Edelstein's flaring cocktail dress; Bohan's scoop-neck shift for Hartnell.

Victor Edelstein has Diana, Princess of Wales, as a loyal client and he sent a youthful flutter through his well-behaved suits in silk tweed, shantung dresses and jackets and cocktail dresses in draped crepe and sculpted gazar. Long evening dresses with tulip-shaped skirts showed too much reverence for the past glories of Paris couture.

Hardy Amies offered clothes for women who dress for Town and Country and never forget their little white gloves. The most delectable things in his show were the fresh-faced Eton college boys, modeling dashing men's evening wear embroidered with jet.

ART EXHIBITIONS

PARIS

Art International
The *Truly* International Art Magazine
Advertising/Subscriptions
77 rue des Archives
75003 Paris
Tel.: 48 04 84 84
Fax: 48 04 82 00

YOU SAW THIS AD.
So did nearly half a million potential art collectors worldwide.
Shouldn't you too advertise in the
INTERNATIONAL HERALD TRIBUNE?

THE ART SHOW

isselbacher gallery
41 East 78th St. New York, N.Y. 10021
Tel.: 212-472-1766
Participating in The Art Show at the Seventh Regiment Armory, February 14-17, Booth 18.
Specializing in late 19th and 20th century graphics.

COLLECTOR'S GUIDE

For sale
From Swiss private collector,
"RAPALLO, VIEW OF THE BAY"
Significant oil painting
by Oskar Kokoschka
Price: US$ 560,000.-
Cipher 44-86570 Publicitas, Postfach, CH-8021 Zurich.

NEW YORK

The Art Show
To benefit the Henry Street Settlement
Organized by the Art Dealers Association of America
Friday-Tuesday, February 15-19, 1991.
Preview: Thursday, February 14, 1991.
Seventh Regiment Armory
Park Avenue and 67th Street, New York City
Friday through Monday, Noon to 8 p.m.
Tuesday, Noon to 6 p.m. Admission: $10

For information on Preview tickets call (212) 766-9200

AUCTION SALES

auction sales
IN FRANCE
PARIS
DROUOT RICHELIEU
9, Rue Drouot, 75009 Paris - Tel.: 48 00 20 20.

Thursday, January 31
Room 9 at 9 p.m. ORIENTAL TEXTILES - IMPORTANT COLLECTION OF SUZANI DE BOUKHARA. Me BOISGIRARD, 2, rue de Provence, 75009 Paris. Tel.: (1) 47 70 81 36. Fax: (1) 42 47 05 94. Mes MILLON-ROBERT, 19, rue de la Grange Batelière, 75009 Paris. Tel.: (1) 48 00 99 44. Fax: (1) 48 00 98 58.

Monday, February 4
Room 10 at 2:15 p.m. RUSSIAN ART. Me CHOCHON-CHOCHON-BARRE-ALLARDI, 15, rue de la Grange Batelière, 75009 Paris. Tel.: (1) 47 70 72 51. Fax: (1) 48 00 96 54.

Friday, February 8
Room 6 at 2 p.m. OLD MASTER PAINTINGS, FURNITURE, OBJETS D'ART. Me MORELLE, 50, rue Sainte-Anne, 75002 Paris. Tel: (1) 42 96 69 22. Fax: (1) 40 20 09 86.
Room 5 at 2 p.m. CHINA. Mes RIBEYRE-BARON, 5, rue de Provence, 75009 Paris. Tel.: (1) 42 46 00 77. Fax: (1) 45 23 22 92.

Sunday, February 10
Room 7 at 2 p.m. 20th C. RUSSIAN ART (1900-1990). Me de CAGNY, 4, rue Drouot, 75009 Paris. Tel.: (1) 42 46 00 07. Fax: (1) 45 23 35 21.

PARIS

24 janvier - 28 février
Pignon-Ernest
Galerie Lelong
12, rue de Téhéran, Paris 8e

24 janvier - 28 février
Titus-Carmel
Galerie Lelong
13, rue de Téhéran, Paris 8e

هكذا من الأصل

International Herald Tribune

BUSINESS/FINANCE

ECONOMIC SCENE

War Is Making It Harder For U.S. Budget Planners

By Leonard Silk
New York Times Service

NEW YORK — The problem of managing the U.S. economy now is complicated by the war in the Gulf, coming on top of a recession that is cutting tax revenues, increasing unemployment and swelling the federal debt and the budget deficit.

In his congressional testimony this week, Alan Greenspan, the chairman of the Federal Reserve Board, urged Congress not to raise taxes to finance the war, arguing that since nobody knew what the war would cost, it was better to borrow the money, at least for now.

Such borrowing would increase the federal debt but would not add to the deficit for the fiscal year 1991, as stipulated by the Gramm-Rudman-Hollings balanced-budget law.

The hostilities in the Gulf are what Congress calls an 'off-budget war.'

In the agreement reached in December between the Bush administration and Congress to cut nearly $500 billion from deficits over the next five years, the costs of the military operations in the Gulf were excluded from the deficit.

The hostilities are what Congress calls an "off-budget war."

The administration has joined Mr. Greenspan in opposing a tax increase, even as officials watch the budget deficit climb, with the extra costs of the savings and loan bailout taking their toll. Treasury Secretary Nicholas F. Brady has just asked for an extra $30 billion for the thrift bailout.

Indeed, in its budget proposal for fiscal year 1992, due in two weeks, *the administration is* expected to seek a cut in the capital gains tax. Such a cut seems unlikely, given the opposition of congressional Democrats, who see it as a tax break for the rich.

Without other specific plans for fighting either recession or inflation through fiscal policy, the administration is really relying on the budget as an automatic stabilizer of the economy against either inflation or recession.

Michael J. Boskin, President George Bush's chief economic adviser, said the new budget legislation adjusts the deficit targets for short-run changes in economic conditions: A forecast of higher growth lowers the deficit target and a forecast of lower growth raises it.

HE CALLS THIS "good economic policy." And he adds, "There is widespread consensus among economists that government budget deficits should rise if the economy weakens and should fall if it strengthens."

Tax revenues automatically rise or fall in booms or slumps, and government payments, like unemployment insurance, do the reverse, reinforcing the countercyclical effect of the budget.

By shifting attention from the "cyclical" components of deficits or surpluses, Mr. Boskin said, the deficit targets focus attention on reducing the "structural" deficit. In the longer run, this should reduce interest rates and stimulate investment, productivity and economic growth.

One concern, however, is whether the war's cost might overwhelm the automatic stabilizers.

Mr. Greenspan this week estimated the cost of the air war in the Gulf at "several hundred million dollars a day" but "probably under half a billion a day." Military planners put the cost of an air-ground war at $1 billion a day, but this is a very rough number.

Much depends on the intensity of the war and whether one uses total costs, including sums already in the military budget, or incremental costs — the extra costs of using reserve troops, fuel, ammunition and so forth — and whether lost equipment is replaced.

The Congressional Budget Office, in a study prepared shortly before the war began, said: "If a war started early in calendar year 1991, added costs could range from $17 billion to $35 billion

See BUDGET, Page 13

Soviet Decline: Worst Data in 40 Years

Reuters

MOSCOW — The Soviet Union reported on Friday its worst annual economic figures since World War II, saying the country's gross national product fell 2 percent in 1990.

The report of the State Statistics Committee Goskomstat, summarized by the news agency Tass, *painted an almost unrelieved picture* of decline five years after President Mikhail S. Gorbachev launched his program of economic change.

National income, the Kremlin's main measure of economic performance, fell even further than GNP, sinking 4 percent, and labor productivity fell 3 percent.

The trade deficit shot up to 10 billion rubles, or the equivalent of $5.56 billion at the official exchange rate, from 3.4 billion rubles in 1989. The decline occurred even though overall trade volume shrank by 7 percent to 131 billion rubles.

Even population growth at 1.4 million was the smallest annual rise since the war, bringing the total to 290.1 million.

The report, "The Economy of the USSR in 1990," *said this figure* had been affected by a falling birth rate, a rising death rate and record emigration of some 400,000 people.

The gloomy figures came after decades in which official statistics showed steady, if sometimes modest, growth in all main indicators. Reported GNP had risen by 3 percent in 1989, for example, while productivity was reported to have risen 2.5 percent.

Radical Soviet economists say Goskmostat statistics sometimes give an excessively positive picture of the economy.

But Tass began its report: "It seems that rose-tinted summaries of statistics about the socio-economic development of the country are a thing of the past."

The report was issued amid dire warnings of impending catastrophe from Mr. Gorbachev's former advisers as consumers, already fed up with empty food-shop shelves, reeled from his shock decree removing 50 and 100 ruble notes from circulation.

Conservatives who have won President Gorbachev's ear over the past few weeks have put the brakes on plans to transform the Soviet economy from a command system to a controlled market.

But radical and liberal economists say only an all-out, if painful, drive to free enterprise can save the economy.

Stanislav Shatalin, formerly Mr. Gorbachev's top economic adviser, said Tuesday the new government was doing nothing to stop fast-approaching disaster and its forecasts for 1991 were fanciful.

Friday's statistics also showed the central government deficit fell by 23 billion rubles in 1990 to 58 billion. Tass said the decline reflected lower government capital investment and defense spending and increased sales and income taxes.

GNP Declines 2.1% in U.S., Bond Prices Fall

By Lawrence Malkin
International Herald Tribune

NEW YORK — The Commerce Department reported on Friday that the economic decline in the fourth quarter was not as severe as the Bush administration had expected. But economists warned that the Gulf buildup and the gyrations of the oil market made the data hard to assess.

In its first report based on preliminary figures from the last quarter of 1990, the department said gross national product declined in real terms at an annual rate of 2.1 percent. Private economists and the administration had forecast a steep drop of 3.4 percent, with inflation running above 3 percent.

As it turned out, the inflation rate was only 2.1 percent, but some economists suspected it would be revised upward as oil price increases passed into the economy. That would push the GNP figure further downward.

Nervous financial markets were momentarily distracted by the figures, which hint at a shallow recession and less easing of credit by the U.S. Federal Reserve Board.

The dollar firmed, blue-chip stocks extended a two-day rise, and Treasury bond prices fell on fears of higher rates. But a new Iraqi missile attack on Israel froze the trends, and the stock market lost some of its gains.

The figures themselves were too "weird" to provide a clear guide to how the Fed will read them, said John Paulus of Morgan Stanley. He expects the central bank to do nothing until at least mid-February, if then, because of the uncertainties of the Gulf war.

Moreover, the preliminary GNP estimates are always revised, often heavily, and these estimates do not include import, export and inventory figures for December.

The first question asked by most economists was whether the Gulf buildup might have helped slow the decline in the economy, and the reply was uncertain. Defense spending was up by 15 percent, a rise of $9.2 billion after discounting for inflation, and a sum that would counterbalance almost half of the $22.4 billion decline in overall GNP.

"This is extremely difficult to read," said Michael Drury of Boston Co. economic advisers. "Many of the components are shifting." He concluded that the Gulf buildup had had no effect on the economy in the fourth quarter.

For example, some of the increased defense outlays were spent on fuel in the Gulf that never reached U.S. shores.

At the same time, Pentagon orders of replaceables such as Patriot missiles might show up as increased defense spending, but they were taken from the inventory of their maker, Raytheon Co., and not from new production that would have boosted GNP.

Economists were divided on the outlook, which is seen as heavily dependent on the course of the war. "Every investment analyst now is a military analyst," said Hugh Johnson of First Albany Securities.

This is because the largest single knock in the fourth-period GNP figures came from a 3.1 percent decline in personal consumption expenditures. Mr. Paulus said this resulted from a decline in real income because of higher oil prices, combined with the collapse of consumer confidence in the anxieties over war.

Looking forward, he said, "As far as the economy in the first quarter of this year, we know the oil shock has been neutralized, and what we're waiting for is the success of the war effort to revive consumer confidence."

Debt-Laden Itoman Ousts Its President

By James Sterngold
New York Times Service

TOKYO — The harmonious facade of corporate Japan cracked Friday in an extraordinary boardroom attack, as the usually timid directors of Itoman & Co., an ailing trading and real estate company, voted to oust the company president, Yoshihiko Kawamura.

Not since 1982, when the president of Mitsukoshi, a major department store, was fired after a scandal has the Japanese business world permitted its sometimes harsh internecine warfare to break into the open so unceremoniously.

The unseemly battle was the latest in a series of blows to hit Itoman and the financial institution that effectively controls it, Sumitomo Bank, the third-largest bank in Japan and in the world.

Based in Osaka, Itoman is one of several big companies that have fallen victim to a government-ordered credit squeeze.

The Finance Ministry stood aside during the past five years as extremely low interest rates and an economic boom sent the prices of various assets, particularly stocks and property, rocketing to unprecedented levels.

But having decided that speculation had gotten out of hand, ministry officials have said it was time to wring some of these excesses out of the system.

Itoman was traditionally a textile trading concern that went on a real-estate buying binge during the 1980s. That has left it with almost $10 billion in debt.

Sumitomo Bank rescued Itoman once before, after the oil crisis in 1974 sent its textile trading business into a tailspin. Mr. Kawamura was a Sumitomo executive sent by the bank in 1975 to lead the restructuring of Itoman.

Although Sumitomo Bank owns about 5 percent of Itoman, it exercises effective control through cross-holdings with other affiliated companies and informal ties that have involved *sending over* executives to help manage Itoman.

Itoman's recent problems surfaced several months ago, when it was disclosed that it was suffering from the huge debt load. Banks in Japan were being forced by the Finance Ministry to curb their lending to speculative property concerns. The government also raised interest rates sharply, putting even more pressure on companies that had borrowed heavily to purchase property in Japan, the United States and Europe.

As a result, a number of big real estate concerns have run into problems, among them Shuwa Corp., which owns Arco Plaza in Los Angeles, and EIE International, which is developing the Regent of New York hotel in Manhattan.

But in most instances, a bank has stepped in to support the ailing property concerns and provide credit until debt can be reduced, properties sold and the company rebuilt. Sumitomo Bank has had to sharply increase its lendings to Itoman to make up for other forms of credit that were drying up.

Itoman's debt to Sumitomo Bank has jumped from a little more than $2 billion in September to about $3.6 billion now, according to recent reports.

Hongkong Bank Says Recession Has Undercut 1990 Profit

Reuters

HONG KONG — Hongkong & Shanghai Banking Corp. warned Friday that its 1990 profit had fallen sharply because of recession in many of its major markets.

Southeast Asia's most prominent financial institution softened the blow to investors, however, by increasing its dividend.

Hongkong Bank said that economic conditions in the United States, Britain and Australia, all in the grip of recession, had hurt the results of its subsidiaries and operating units in those countries.

The bank's 1990 profit, when it is reported in March, will be substantially lower than the net profit of 4.77 billion Hong Kong dollars ($612.2 million) posted in 1989, it said.

Banking analysts said they were adjusting their net profit forecasts from between 3.7 billion and 3.9 *billion dollars to below the 3 billion* dollar level.

"The drop could be a billion dollars worse than we expected," one analyst said.

Hongkong Bank's wholly owned New York unit, Marine Midland Banks Inc., posted a "significantly worse than expected" loss of $295.6 million for the year, from net income of $13.9 million in 1989.

Geoffrey A. Thompson, Marine Midland's president, said "1990 was a very difficult year for us." He said a deteriorating U.S. domestic economy and commercial real estate market, *combined with the continued* nonpayment of interest and principal by Brazil, caused the loss.

"Our earnings could remain under pressure in 1991," he said, adding that the restructuring started in 1990 would make the bank more efficient, bringing it back into profit.

Midland's 1990 provision for loan losses totaled $557.3 million, up from $414.3 million in 1989. At the end of 1990, Marine Midland's loan-loss reserves stood at $816.5 million, down from $952.6 million.

Hongkong Bank said its Hongkong Bank of Australia unit also had losses *due to a recession, provisions* required against corporate lending and a write-off of an income-tax credit for previous years.

Similar provisions in Britain, where economic conditions have worsened since the interim report last August, are likely to result in poor results.

Provisions have been made for some loans to projects in China.

The bank declared a second interim dividend of 26 Hong Kong cents in lieu of a final dividend.

This brings the total for the year to 39 cents, an increase of 2.1 percent over the 1989 total dividend.

The bank substituted a second interim for a final dividend following its announcement of a reorganization in which it became a wholly-owned unit of a U.K. holding company.

American Express Hurt By Losses at Shearson

Compiled by Our Staff From Dispatches

NEW YORK — American Express Co. has said its net income plunged 46.4 percent in the fourth quarter and 84.6 percent for all of 1990 because of huge losses at its troubled brokerage house, Shearson Lehman Brothers.

Analysts said they expect Shearson to consider further asset sales and cost-saving measures.

American Express said it earned $137.9 million, or 28 cents a share, in the fourth quarter, compared with $257.2 million, or 61 cents a share, a year earlier. Revenue declined less than 1 percent, to $6.3 billion.

For the full year, the company earned $181.5 million, or 34 cents a share, down from last year's $1.16 billion, or $2.70 a share. Revenue fell nearly 3 percent to $24.3 billion.

American Express released the earnings after the stock market closed Thursday. Despite the bad results, its shares rose 37.5 cents Friday to $20.375.

Although its main units, including Travel Related Services and IDS Financial Services, reported record profits, American Express saw earnings dragged down by Shearson.

Shearson reported a loss of $115 million for the quarter and $966 million for the year, compared with earnings of $4 million and $110 million, respectively, a year earlier.

The 1990 figures include $787 million in charges for layoffs and office closings at Shearson, as well as $50 million in the fourth quarter for severance and more charges related to dismissals and closings.

"After that big charge in the first quarter, no one was expecting another round of severance charges of this magnitude," said Alison A. Deans, an analyst with Smith Barney, Harris Upham & Co.

Shearson's fourth-quarter results included a $35 million reserve related to shares of Polly Peck International PLC bought on behalf of the failed conglomerate's chairman, Asil Nadir, American Express said, without elaborating.

Shearson cut its workforce by 12 percent last year to 31,300, and analysts said the fourth-quarter charge would allow for more cuts.

(NYT, Reuters)

Madrid Proposes Plan On Monetary Union

Reuters

MADRID — Spain has proposed a plan on European monetary union that it hopes will bridge a gap between British plans for a hard Ecu and opposition to those plans from other EC countries, a senior Economy Ministry official said on Friday.

The plan calls for a stronger version of the European currency unit, not as a new currency but based on a basket of currencies that would conserve its value at each realignment of exchange rates.

The proposals were sent on Friday by Economy Minister Carlos Solchaga to his EC colleagues and to Jacques Delors, the EC Commission president. They will be discussed at Monday's meeting of economic and finance ministers in Brussels.

The official said Spain's proposal did not mean Madrid no longer supported Britain's ideas on a hard *Ecu* — only that it sought to make them compatible with the Delors report.

But unlike the British proposal, Spain does not seek to make the Ecu into a 13th currency during Stage Two of economic and monetary union. The Ecu would continue to be a basket of existing EC currencies, but the currencies' weighting would *alter automatically* with EMS realignments.

"The hard basket Ecu, as it might be called, would always be as strong as the strongest EMS currencies," the official said.

The new proposal would only be valid during the second phase of monetary union, rather than part of a permanent treaty change. In addition, a European central bank would develop a private market for the Ecu, preparing the way for its role as a sole EC currency.

The advantage over the British plan, the official said, is that it would avoid confusion over the duality of the existing Ecu and a 13th EC currency, and would smooth the way for a basket Ecu as the basis of a sole Community currency in phase three of economic and monetary union.

The official also answered doubts over the role of a European central bank in the second stage of economic and monetary union.

The bank would issue Ecu notes and coins and take Ecu deposits, but they would not be legal tender except in countries that so decide voluntarily.

In an EC currency were devalued, the value of the bank's holdings of that currency would be protected via an Ecu swap mechanism.

CURRENCY RATES

Cross Rates

Jan. 25

	$	£	D.M.	F.F.	Lira	D.Fl	B.F.	S.F.	Yen	C$	Peseta
Amsterdam	1.68	3.29	1.1274	0.3316	0.15 *	—	5.472 *	1.334	1.2785 *	1.445	1.794 *
Brussels	30.6175	60.08	20.484	6.063	2.7412 *	18.2265	—	24.292	0.2284	26.48	32.79 *
Frankfurt	1.4847	2.915	—	0.2943	1.133 *	0.8871	4.853 *	1.1834	1.137 *	1.279	1.591 *
London (a)	1.9615	—	2.9716	9.9218	2,192.50	3.2906	60.19	2.4673	259.11	2.2867	183.36
Madrid	93.238	183.18	62.87	18.58	8.365 *	55.778	3.0523	74.376	70.825 *	80.441	—
Milan	1,115.75	2,192.60	751.07	221.17	—	664.73	36.487	890.09	8.483	959.10	11.959
New York (b)	—	1.9565 a	1.4905	5.067	1,121.80	1.6805	30.71	1.263	132.55	1.1633	93.545
Paris	5.044	9.917	3.3907	—	0.4522 *	3.0147	0.166	4.0228	3.8284 *	4.336	5.405 *
Tokyo	132.45	259.84	88.95	26.18	0.1184	78.92	4.3183	105.53	—	114.29	1.4162
Toronto	1.164	2.2745	0.7779	0.2256	1.038 *	0.6910	3.795 *	0.9233	0.878 *	—	1.244 *
Zurich	1.258	2.4635	0.8449	0.2488	0.1126 *	0.75	4.1054 *	—	0.9516 *	1.0807	1.349 *
1 ECU	1.3866	0.7022	2.0488	6.9629	1,539.67	2.3098	42.2167	1.7398	181.82	1.6063	128.779
1 SDR	1.4361	0.7316	2.139	7.2436	1,602.49	2.4027	43.9881	1.8014	190.065	1.6643	134.086

Closings in Amsterdam, London and Zurich, fixings in other centers; New York closing rates. Toronto rates at 3 p.m.
*a: To buy one pound; b: To buy one dollar; *: Units of 100; N.Q.: not quoted; N.A.: not available.*

Other Dollar Values

Currency	Per $	Currency	Per $	Currency	Per $	Currency	Per $
Argen. austral	6490.0	Greek drac.	157.95	Mex. peso	2926.00	S. Afr. rand	2.5485
Austral. $	1.2817	Hong Kong $	7.7915	N. Zealand $	1.675	Soviet ruble*	0.5559
Austr. schil.	10.44	Indian rupee	18.45	Norw. krone	5.8105	Swed. krona	5.555
Brazil cruz.	196.00	Indo. rupiah	1885.01	Phil. peso	27.65	Taiwan $	26.67
Chinese yuan*	5.2221	Irish £	0.5568	Port. escudo	131.50	Thai baht	25.31
Danish krone	5.717	Israeli shek.	1.9946	Saudi riyal	3.7496	Turkish lira	2969.00
Egypt. pound	2.8972	Kuwaiti dinar	n.a.	Sing. $	1.726	UAE dirham	3.6725
Fin. markka	3.5915	Malay. ring.	2.7005	S. Kor. won	718.40	Venez. boliv.	52.12

*New York rates unless marked * (local rate.)*

Forward Rates

Currency	30-day	60-day	90-day	Currency	30-day	60-day	90-day
Pound Sterling	1.9538	1.9436	1.9332	Canadian dollar	1.1673	1.1708	1.1737
Deutsche mark	1.4808	1.4783	1.4752	Japanese yen	131.57	131.46	131.32
Swiss franc	1.2510	1.2497	1.2485				

Sources: NMB Bank (Amsterdam); Indosuez Bank (Brussels); Banca Commerciale Italiana (Milan); Banque Nationale de Paris (Paris); Bank of Tokyo (Tokyo); Royal Bank of Canada (Toronto); IMF (SDR); Gosbank (ruble). Other data from Reuters and AP.

INTEREST RATES

Eurocurrency Deposits

Jan. 25

	Dollar	D-Mark	Swiss Franc	Sterling	French Franc	Yen	ECU	SDR
1 month	6 7/16-6 9/16	8 15/16-9 1/16	8 1/16-8 3/16	13 15/16-14 1/16	9 15/16-10	8-8⅛	10-10⅛	8⅝
2 months	6¾-6⅞	8⅞-9	8⅛-8⅜	13 15/16-14 1/16	9⅞-10 1/16	8-8⅛	10 1/16-10 3/16	8 7/16
3 months	6⅞-7	9 1/16-9 3/16	8¼-8⅜	13 13/16-13 15/16	9 15/16-10⅛	8⅛-8¼	10 1/16-10 3/16	8½
6 months	6 15/16-7 1/16	9¼-9⅜	8 1/16-8 3/16	13⅛-13⅜	10 1/16-10¼	7⅞-8	10⅜-10½	8½
1 year	7 1/16-7 3/16	9⅜-9½	8 1/16-8 3/16	12⅝-12⅞	10 1/16-10¼	7 11/16-7 13/16	10 1/16-10 3/16	8½

Sources: All Reuters except ECU: Lloyds Bank.
Rates applicable to interbank deposits of $1 million minimum (or equivalent).

Key Money Rates

Jan. 25

	Close	Prev.
United States		
Discount rate	6½	6½
Prime rate	9½	9½
Federal funds	8.00	9.80
Com paper 90-179 days	6.60	6.60
3-month Treasury bills	6.17	6.12
6-month Treasury bills	6.22	6.36
1-year Treasury bills	6.19	6.74
30-year Treasury bond	8.23	8.17
2-month CD's	6.20	6.25
3-month CD's	6½	6.35
Japan		
Discount rate	6.00	6.00
Call money	8 1/16	8 1/32
2-month interbank	8 1/16	8 1/16
3-month interbank	8 1/32	8 1/32
Germany		
Discount rate	6.00	6.00
Lombard rate	8½	8½
Call money	N.Q.	8½
1-month interbank	8.80	8.85
3-month interbank	9.25	9.30
6-month interbank	9.40	9.45
Britain		
Bank base rate	14.00	14.00
Call money	14.00	14⅛
3-month interbank	13 15/16	14 1/32
6-month interbank	13 7/16	13 9/16
France		
Intervention rate	9¼	9¼
Call money	10.00	9⅞
1-month interbank	9 15/16	9⅞
3-month interbank	10.00	10.00
6-month interbank	10⅛	10¼

Sources: Reuters, Salomon Brothers, Bank of Tokyo, Commerzbank, Crédit Lyonnais.

Asian Dollar Deposits

Jan. 25

1 month	6¾ - 6⅞
2 months	6 13/16 - 6 15/16
3 months	6 15/16 - 7 1/16
6 months	6 15/16 - 7 1/16
1 year	7⅛ - 7¼

Source: Reuters.

U.S. Money Market Funds

Jan. 25

Merrill Lynch Ready Assets
30-day average yield: 7.17
Telerate Interest Rate Index: 6.727
Source: Merrill Lynch, Telerate.

GOLD

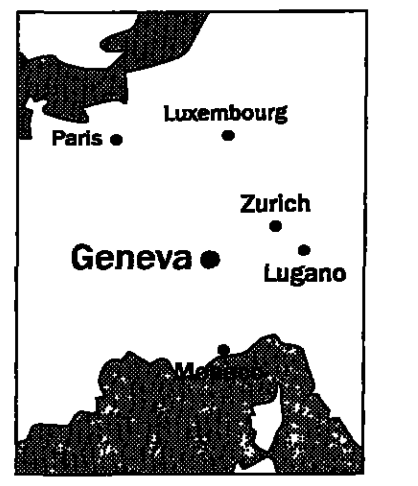
Jan. 25

	A.M.	P.M.	Ch'ge
Hong Kong	373.25	374.35	— 2.60
Luxembourg	374.15	—	— 2.70
Paris (12.5 kilo)	376.56	377.28	— 1.08
Zurich	374.45	374.35	+ 0.85
London	373.80	374.25	+ 1.25
New York	—	375.95	+ 2.80

Luxembourg, Paris and London official fixings; Hong Kong and Zurich opening and closing prices; New York spot market close. All prices in U.S. $ per ounce.
Source: Reuters.

C C F S U I S S E G R O U P

You can reach us in:
Geneva 41.22.21.04.55
Zurich 41.1.261.40.70
Lugano (CCM Banca di Credito Commerciale e Mobiliare) 41.91.22.72.12
Monaco 33.93.30.97.00
Luxembourg 352.46.36.491
Paris (International Branch) 33.1.40.70.70.40



We recently acquired Handelsfinanz CCF Bank:
Geneva 41.22.28.54.44
Zurich 41.1.202.66.20
Lugano 41.91.22.84.22
Nassau 809.32.88.644

TO BETTER PROTECT YOUR ASSETS.

CCF

INTERNATIONAL PRIVATE BANKING

NASDAQ

MARKET DIARY

Stock Prices Gain In Heavy Trading

Compiled by Our Staff From Dispatches

NEW YORK — Stocks closed higher Friday in heavy trading on the New York Stock Exchange, after fighting off separate declines tied to two Iraqi missile attacks, one on Israel and the other on Saudi Arabia.

The Dow Jones industrial average, which jumped 24.01 points Thursday, rose another 16.34 to close at 2,659.41.

Among broader market gauges, the New York Stock Exchange composite index rose 0.74 to 183.38 and Standard & Poor's 500-stock index added 1.29 to 336.07.

Advances led declines by a nearly 9-5 margin. Big Board volume totaled 194.35 million shares, compared with 223.15 million Thursday.

The Dow had been up about 10 points, lost that gain on news of the attack on Israel, rebounded and extended its gain to 20 points before giving that up after word of the attack on Riyadh. But the blue chips bounced back again in late trading to close higher, as investors considered the possibility of lower interest rates.

"I think the prospect of lower rates has really helped us over the last couple of days," said Ron Doran, director of institutional trading at C.L. King & Associates in Albany, New York.

Mr. Doran also said the market was helped by news that the economy's decline in the fourth quarter was not as steep as expected.

Gainers among the blue chips included General Electric, up 1⅜ at 59⅞.

Pittston Co. rose ¾ to 15⅛. The company posted fourth-quarter earnings of 68 cents a share, against a year-earlier loss.

Armco dropped ¼ to 4⅞. The company omitted the dividend on its common stock. *(UPI, AP)*

N.Y. Stocks

Pre-Weekend Caution Pushes Dollar Higher

Reuters

NEW YORK — The dollar strengthened on Friday, as traders covered their investments in case market-moving news from the Gulf war emerges over the weekend.

"It was pre-weekend short-covering, just in case the world blows up," said Bob Hatcher of Barclays Bank.

The dollar first got a lift from news that fourth-quarter U.S. gross national product fell 2.1 percent at an annual rate, or less than the 3.4 percent drop economists expected. The data suggested the recession may not be as deep as some had feared.

The dollar ended at 1.4905 Deutsche marks, up from 1.4865 DM Thursday, and at 132.55 yen, up from 132.35 yen.

The U.S. currency closed at 1.2630 Swiss francs, up from 1.2577 francs Thursday, and at 5.067 French francs, compared with 5.0545 francs.

The British pound was unchanged at $1.9565.

Traders said the GNP report suggested that the Federal Reserve may not be as quick to cut interest rates to spur the economy.

"People are beginning to feel there's no further easing in the picture, at least in the short term," said Charles Wheeler of Swiss Volksbank.

Earlier in the week the Federal Reserve chairman, Alan Greenspan, said the central bank would have to weigh the possibility of cutting interest rates again if the credit crunch continues.

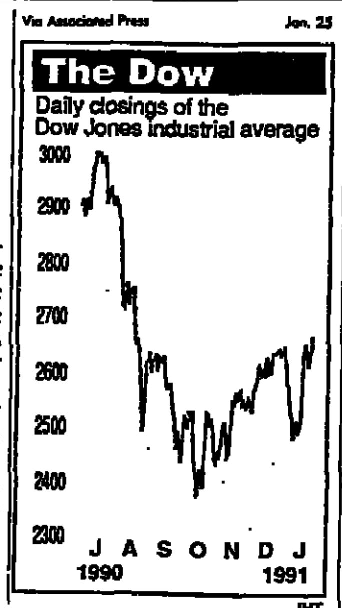
Dealers took his comments to mean that the Federal Reserve will act sooner rather than later.

"The Fed has to ease. That's where the cards still stack up," said Lisa Finstrom, analyst at Shearson Lehman Brothers.

The U.S. data also pushed the dollar up in London. The currency finished at 1.4885 DM, after 1.4805 on Thursday, and at 132.17 yen, after 131.95.

Foreign Exchange

Via Associated Press Jan. 25



IHT

NYSE Most Actives

	Vol.	High	Low	Last	Chg.
Citicorp	35606	13⅞	13	13⅞	+⅝
AmExp	35087	21	19	20⅞	+⅞
Chase	26730	12⅝	12⅛	12⅝	+½
IBM	24387	122⅝	120½	122½	+1½
GenEl	23573	60⅛	58⅝	59⅞	+1⅜
TexInst	21581	39½	34½	34⅝	—3
BlockE	20488	26⅛	25	25⅝	—⅛
PhilMr	20282	55¼	54⅝	54⅞	+⅜
McDonl	19670	28⅝	27⅝	28⅛	
AMD	18162	7½	6⅞	7¼	+⅜
AMR	16485	53¼	52½	52⅞	+⅛
BnkAm	15805	28½	27⅛	28¼	+1⅛
AT&T	15758	31⅛	30⅝	31¼	+⅝
GTE s	15450	28⅜	28⅛	28⅝	+½
HmeD s	13789	44⅝	43	43½	—¼

AMEX Most Actives

	Vol.	High	Low	Last	Chg.
Presd A	17664	4⅜	4½	4⅜	+⅛
Diasonc	6525	3⅛	2⅞	3⅛	+¼
FruitL	5706	9⅝	8⅞	9⅝	+¼
Amdhl	5138	14¼	13⅞	14¼	+⅛
Telesph	4936	2	1½	2	+½
Alza	4227	55⅜	52½	54⅞	+2⅜
ENSCO	3483	2½	2⅛	2½	+⅛
EchoBy	2738	8	7⅞	8	
ChevSft	2347	9⅞	9½	9⅝	+⅛
Coron g	2144	3⅜	3	3⅜	—⅛
A-ge sc	1974	5⅜	5	5⅛	—⅛
DowC rt	1958	5⅛	5⅛	5⅛	—⅛
BAT In	1953	11⅛	11	11	—⅛
WDigitl	1704	5⅛	5⅛	5⅛	—⅛
EksNk wt	1599	8⅝	8⅝	8½	—⅛

NYSE Diary

	Close	Prev.
Advanced	981	1231
Declined	553	398
Unchanged	466	379
Total Issues	2000	2008
New Highs	62	72
New Lows	7	17

Amex Diary

	Close	Prev.
Advanced	322	366
Declined	186	180
Unchanged	236	234
Total Issues	744	780
New Highs	21	25
New Lows	11	17

Previous NASDAQ Diary

	Close	Prev.
Advanced	1,139	1,283
Declined	678	596
Unchanged	2,342	2,283
Total Issues	4,159	4,162

Dow Jones Averages

	Open	High	Low	Last	Chg.
Indus	2645.05	2679.46	2623.27	2659.41	+ 16.34
Trans	1039.32	1052.72	1024.68	1034.67	+ 0.35
Util	206.61	208.38	205.33	206.93	+ 0.44
Comp	955.51	967.20	946.23	957.82	+ 3.61

Standard & Poor's Indexes

	High	Low	Close	Ch'ge
Industrials	397.73	394.39	396.58	+ 1.36
Transp.	256.82	254.01	255.41	+ 1.07
Utilities	137.98	137.12	137.77	+ 0.43
Finance	24.51	24.16	24.44	+ 0.22
SP 500	336.92	334.20	336.07	+ 1.29
SP 100	318.03	314.97	317.08	+ 1.25

NYSE Indexes

	High	Low	Close	Ch'ge
Composite	183.70	181.11	183.38	+ 0.74
Industrials	229.00	227.21	228.45	+ 0.81
Transp.	154.83	153.75	154.20	+ 0.33
Utilities	88.50	88.19	88.50	+ 0.31
Finance	126.13	125.20	126.13	+ 1.04

NASDAQ Indexes

	High	Low	Close	Ch'ge
Composite	395.14	390.96	394.28	+ 2.95
Industrials	436.71	431.51	435.72	+ 3.20
Finance	363.38	359.71	363.02	+ 3.36
Insurance	463.02	459.12	462.45	+ 1.95
Utilities	502.59	496.44	501.63	+ 3.83
Banks	259.22	255.95	258.84	+ 2.03
Transp.	449.27	444.64	447.15	+ 2.55

AMEX Stock Index

High	Low	Close	Ch'ge
308.60	306.53	308.55	+ 1.85

Dow Jones Bond Averages

	Close	Ch'ge
20 Bonds	92.27	+ 0.09
10 Utilities	94.09	+ 0.24
10 Industrials	90.45	— 0.06

Market Sales

NYSE 4 p.m. volume	194,350,000
NYSE prev. cons. close	262,479,090
Amex 4 p.m. volume	13,420,000
Amex prev. cons. close	14,160,000
NASDAQ 4 p.m. volume	158,079,200
NASDAQ prev. 4 p.m. volume	176,556,600
NYSE volume up	110,190,970
NYSE volume down	57,231,080
Amex volume up	6,913,440
Amex volume down	2,864,190
NASDAQ volume up	98,014,451
NASDAQ volume down	40,701,878

N.Y.S.E. Odd-Lot Trading

	Buy	Sales	Short*
Jan. 24	625,713	606,861	10,313
Jan. 23	563,968	515,771	6,188
Jan. 22	558,021	541,263	3,625
Jan. 21	608,477	567,222	19,115
Jan. 18	852,991	732,562	27,405

*Included in the sales figures.

S&P 100 Index Options

Jan. 25

Strike Price	Calls-Last Feb	Mar	Apr	May	Puts-Last Feb	Mar	Apr	May
265	57¼	—	—	—	¼	⅜	—	—
270	—	—	—	—	⅜	1⅛	—	—
275	—	—	—	—	⅜	1⅜	—	—
280	36⅛	—	—	—	½	2	3⅜	—
285	34⅞	34⅛	—	—	⅝	2⅝	4⅛	—
290	28¼	28	—	—	⅞	3	5⅛	7
295	22⅝	25⅛	—	—	1⅛	3⅞	5⅞	—
300	19	22	—	—	1⅜	4⅞	7	9⅛
305	14½	17⅛	—	—	2⅛	5⅞	9⅛	—
310	10⅝	14⅛	17⅝	—	3⅛	7⅛	9⅝	11½
315	7⅛	10⅛	14⅛	—	5⅛	8⅝	11⅝	—
320	4	8	11⅛	13⅝	7⅛	11⅛	14⅛	16
325	2⅛	5⅛	8⅛	—	11	14	16⅛	—
330	1	3⅛	6	—	16⅛	18⅝	19	—
335	⅛	2⅜	4⅛	—	—	21⅛	22	—

Calls: total vol. 91,894 ; total open int. 294,855
Puts: total vol. 111,545 ; total open int. 359,710

	Dec 92	Dec 93	Dec 92	Dec 93
27½	7⅛	—	1⅝	—
30	5⅜	—	2⅞	—
32½	4⅜	—	3⅝	—

Calls: total vol. 44 ; total open int. 4,616
Puts: total vol. 266 ; total open int. 19,916
Source: CBOE.

Currency Options

Jan. 25

PHILADELPHIA EXCHANGE

Option & Underlying	Strike Price	Calls—Last Feb	Mar	Jun	Puts—Last Feb	Mar	Jun
31,250 British Pounds-cents per unit.							
Pound	187½	r	r	r	0.14	r	r
195.27	190	r	r	7.00	0.47	1.40	4.55
195.27	192½	r	r	r	1.00	r	r
195.27	195	r	r	r	1.85	3.80	r
195.27	197½	0.90	2.05	r	r	r	r
195.27	200	r	1.00	r	r	r	r
195.27	202½	r	0.58	r	r	r	r
195.27	205	r	0.25	1.30	r	r	r
50,000 Canadian Dollars-cents per unit.							
Dollr	84	r	r	r	0.08	r	r
85.90	84½	r	r	r	0.12	r	r
85.90	85	r	r	r	0.19	0.53	r
85.90	85½	0.50	r	r	r	0.57	1.55
85.90	86	0.27	0.47	r	0.68	1.04	r
85.90	86½	r	r	r	0.99	r	r
85.90	87	r	r	r	r	r	2.52
85.90	88	r	0.06	r	r	r	r
85.90	88½	s	0.03	r	s	r	
62,500 German Marks-cents per unit.							
Mark	60	r	r	r	r	r	0.18
66.99	63	4.15	r	r	r	r	r
66.99	64	r	r	r	r	r	0.84
66.99	64½	r	r	s	0.06	0.24	
66.99	65	2.27	r	r	0.12	0.45	r
66.99	65½	1.84	r	s	0.17	0.51	
66.99	66	r	r	r	0.33	r	r
66.99	66½	1.08	r	s	r	0.91	
66.99	67	0.72	1.05	1.71	0.62	r	r
66.99	67½	0.56	r	s	r	r	
66.99	68	0.34	r	r	r	r	r
66.99	68½	0.20	0.54	s	r	r	
66.99	69	0.16	r	r	r	r	
6.25 mil Yen-100ths of a cent per unit.							
Yen	69	r	r	r	r	r	0.34
75.35	72	r	r	r	0.06	0.28	r
75.35	73	r	r	r	r	0.42	1.18
75.35	73½	r	r	s	0.25	r	
75.35	74	r	r	r	0.30	0.78	1.52
75.35	74½	r	r	s	0.52	0.87	
75.35	75	1.16	r	2.32	r	r	1.95
75.35	75½	r	1.43	s	r	r	
75.35	76	0.72	1.07	1.90	1.04	r	r
75.35	76½	r	0.93	s	r	r	
75.35	77	0.38	0.76	r	r	r	r
75.35	78	r	0.54	r	r	r	r
75.35	80	r	0.19	r	r	r	r
75.35	82	r	r	0.38	r	r	
622,500 Swiss Francs-cents per unit.							
Franc	77	r	r	r	0.14	0.42	r
	78	r	1.97	r	0.37	0.67	r
	79	1.20	r	r	0.75	r	r
	79½	r	r	s	0.90	r	s
	80	0.44	r	1.72	r	r	r
	81½	0.18	s	s	r	s	s
	83	r	0.26	r	r	r	r

Total call vol. 14,748; Call open int. 254,338
Total put vol. 28,514; Put open int. 347,805
r—Not traded. s—No option offered.
Last is premium (purchase price).

Dividends

Company	Per	Amt	Pay	Rec
USUAL				
Baker Hughes Inc	Q	.11½	2-22	2-4
Bancorp Hawaii	Q	.41	3-14	2-18
Bethel Bancorp	Q	.08	2-13	1-30
EDO Corp	Q	.07	3-29	3-5
EmpireDistrictElec	Q	.40½	3-15	3-1
Handy & Harman	Q	.16½	3-1	2-15
Intl Shipholding	Q	.05	3-29	3-16
Jostens Inc	Q	.28	3-1	2-15
Lindberg Corp	Q	.07	3-1	2-8
Northern Telecom	Q	.08	3-28	3-7
PennEngineer&Mfg	Q	.20	4-3	3-15
Raychem Corp	Q	.08	3-6	2-6
Syntex Corp	Q	.40	3-11	2-15
Trinova Corp	Q	.17	3-15	2-19

a-annual; m-monthly; q-quarterly; s-semi-annual

Source: UPI.

Certain offerings of securities, financial services or interests in real estate published in this newspaper are not authorized in certain jurisdictions in which the International Herald Tribune is distributed, including the United States of America, and do not constitute offerings of securities, services or interests in these jurisdictions. The International Herald Tribune assumes no responsibility whatsoever for any advertisements for offerings of any kind.

TO OUR READERS IN BERLIN
You can now receive the IHT hand delivered to your home or office every morning on the day of publication. Contact our Frankfurt office today. Phone: (069) 69 48 92 Fax: (069) 69 48 94

European Futures

	Close		High	Low	Prev. Close	
SUGAR (FOX) U.S. Dollars per metric ton-lots of 50 tons						
Mar	197.00	197.20	198.40	196.80	198.00	196.60
May	198.80	199.40	200.40	199.00	199.20	199.20
Aug	204.20	204.80	206.20	204.20	203.40	204.60
Oct	203.60	204.00	205.80	204.20	203.40	204.60
Dec	202.00	203.60	208.00	208.00	207.00	208.00
Mar	205.00	205.60	205.20	215.20	205.60	206.40
May	206.00	207.40	N.T.	N.T.	207.20	208.60
Est. Sales 1,391.						
COCOA (FOX) Sterling per metric ton-lots of 10 tons						
Mar	632	633	637	629	636	637
May	665	666	672	665	669	670
Jul	695	696	700	693	698	699
Sep	724	725	726	720	726	727
Dec	754	755	758	752	756	757
Mar	781	782	783	778	781	782
May	805	806	808	801	803	804
Est. Sales 6,111.						
COFFEE (FOX) Sterling per metric ton-lots of 5 tons						
Jan	553	555	563	550	560	561
Mar	537	538	551	537	548	549
May	539	540	555	538	552	553
Jul	552	554	570	553	567	568
Sep	568	569	586	569	584	585
Nov	584	585	601	585	598	599
Jan	595	600	616	608	610	615
Est. Sales 4,783.						

	High	Low	Close		Ch'ge
WHITE SUGAR (Matif) Dollars per metric ton-lots of 50 tons					
Mar	293.00	288.70	292.00	293.00	+ 2.70
May	291.00	290.00	290.00	291.50	+ 2.10
Aug	300.00	298.50	299.00	299.50	+ 1.30
Oct	N.T.	N.T.	274.00	276.00	+ 1.50
Dec	N.T.	N.T.	269.00	271.00	+ 1.00
Mar	N.T.	N.T.	273.00	275.00	+ 1.00

Est. sales 1,024. Prev. sales 616. Open interest 12,155.

	High	Low	Last	Settle	Ch'ge
GASOIL (IPE) U.S. dollars per metric ton-lots of 100 tons					
Feb	232.00	222.50	225.50	225.50	— 14.00
Mar	202.00	189.25	199.00	199.00	— 11.50
Apr	184.50	175.00	179.50	179.50	— 10.00
May	175.50	166.00	173.25	172.25	— 9.80
Jun	174.00	168.00	171.00	171.00	— 10.00
Jul	172.00	168.00	170.00	170.00	— 6.25
Aug	N.T.	N.T.	N.T.	172.00	— 6.25
Sep	172.00	172.00	172.00	173.00	— 8.25
Oct	N.T.	N.T.	N.T.	173.00	— 8.25
Est. Sales 8,880. Prev. sales 10,761. Open interest 51,369					
BRENT CRUDE OIL (IPE) U.S. dollars per barrel-lots of 1,000 barrels					
Mar	20.50	19.95	20.00	20.00	— 0.37
Apr	19.81	19.25	19.35	19.30	— 0.30
May	19.30	18.50	18.50	18.50	— 0.30
Jun	18.45	18.00	18.00	18.00	— 0.30
Jul	N.T.	N.T.	N.T.	18.10	— 0.20
Aug	18.55	18.45	18.45	18.10	New

Est. Sales 16,000. Prev. sales 20,729. Open interest 68,587

Sources: Matif, Int'l Petroleum Exchange, Reuters.

London Metals

	Close Bid	Ask	Previous Bid	Ask
ALUMINUM (High Grade) Dollars per metric ton				
Spot	1483.00	1485.00	1468.00	1470.00
Forward	1515.00	1516.00	1500.00	1501.00
COPPER CATHODES (High Grade) Sterling per metric ton				
Spot	1191.50	1193.00	1172.00	1173.00
Forward	1215.00	1216.00	1198.00	1199.00
LEAD Sterling per metric ton				
Spot	304.00	306.00	307.00	308.00
Forward	319.50	320.00	321.00	321.50
NICKEL Dollars per metric ton				
Spot	8625.00	8635.00	8740.00	8770.00
Forward	8580.00	8590.00	8610.00	8625.00
TIN Dollars per metric ton				
Spot	5610.00	5620.00	5630.00	5640.00
Forward	5720.00	5725.00	5740.00	5750.00
ZINC (Special High Grade) Dollars per metric ton				
Spot	1183.00	1185.00	1171.00	1172.00
Forward	1180.00	1182.00	1177.00	1178.00

Spot Commodities

Commodity	Today	Prev.
Aluminum, lb	0.665	0.669
Coffee, lb	0.83	0.83
Copper electrolytic, lb	1.25	1.25
Iron FOB, ton	213.00	213.00
Lead, lb	0.33	0.33
Silver, troy oz	3.805	3.79
Steel (billets), ton	473.00	473.00
Steel (scrap), ton	105.17	105.17
Tin, lb	3.6731	3.4975
Zinc, lb	0.5921	0.5921

U.S./AT THE CLOSE

Morgan Stanley Net Plunges 61%

NEW YORK (AP) — Morgan Stanley Group Inc. said Friday that Wall Street's anemic investment banking climate caused a 60.8 percent drop in fourth-quarter profit and a 39.0 percent decline for all of 1990.

The firm said fourth-quarter profit fell to $58.3 million from $148.6 million, while revenue plummeted 30.8 percent to $488 million from $705 million a year earlier. Revenue from investment-banking services such as mergers and acquisitions and securities underwriting were the major component of the decline, falling to $146 million from $298 million.

For the year, Morgan Stanley said earnings fell to $270.4 million, after $443 million. Revenue fell to $2.16 billion from $2.45 billion.

Disney Stock Shrugs Off Profit Fall

BURBANK, California (Combined Dispatches) — Disney Co. shares climbed $2.25 to $101.75 Friday on the New York Stock Exchange, a day after the company said poor theme-park attendance had contributed to a 3 percent slide in profit for the last three months of 1990.

Analysts said the stock price climbed because the market had been expecting the results, which showed that the company earned $170.4 million, compared with $174.4 million in the same period a year earlier.

"It was pretty well telegraphed that it would be a sluggish report, and people had anticipated it," said Harold Vogel of Merrill Lynch.

A Kidder Peabody analyst, Christopher Dixon, said he had lowered his fiscal year 1991 and 1992 earnings estimates for Disney due to expected continued effects from the war and economic softness. *(AP, Reuters)*

Shell Earnings Soared 69% in Period

HOUSTON (AP) — Shell Oil Co. said Friday that fourth-quarter earnings soared 69.0 percent, to $446 million, from $264 million in the same period a year earlier because of higher crude oil prices brought on by the Gulf crisis.

But it said profit for the full year fell 26.2 percent, to $1.04 billion, compared with $1.41 billion in 1989. It attributed this to lower income from its refining and marketing branches, which had to pay higher prices for crude oil that was made into gasoline and other products.

Fourth-quarter revenue was $7.7 billion, after $5.5 billion for the period a year earlier. For the year, sales were $24.8 billion, after $21.9 billion

Texas Instruments Reports Big Loss

NEW YORK (Reuters) — Texas Instruments Inc. on Friday reported a $56 million loss for the fourth quarter as a result of a $49 million after-tax charge for cost reductions and asset writedowns. The company had a profit of $36 million in the fourth quarter of 1989.

Sales in the final period of last year, however, climbed to $1.76 billion, from $1.72 billion. For the full year, the company had a loss of $75 million, compared with a profit of $253 million in 1989. Revenue edged up to $6.57 billion from $6.52 billion.

$100 Million Approved for Pan Am

NEW YORK (Reuters) — A $100 million cash injection for Pan Am Corp. was approved Friday in federal bankruptcy court here. It was the second major such infusion of money since the carrier sought protection from its creditors earlier this month. Two weeks ago, the court approved a $50 million cash injection, which like the second loan came from UAL Corp., the parent of United Airlines, and Bankers Trust of New York Corp.

For the Record

Interco Inc., the footwear and furniture maker with a heavy load of junk bond debt, filed Friday for Chapter 11 protection from its creditors. The filing included Interco's four core companies: Broyhill Furniture Industries Inc., Lane Co., Converse Inc. and Florsheim Shoe Co. *(AP)*

American Telephone & Telephone Co. said Friday it had filed documents in U.S. federal court in Manhattan seeking an order directing NCR Corp. to promptly call a special stockholder meeting. *(Reuters)*

Federal regulators on Friday seized California's Columbia Savings and Loan Association, the industry's biggest speculator in junk bonds. *(AP)*

SAS: *Airline Cites Gulf Conflict as It Announces Cuts in Staff and Costs*

(Continued from page 1)

airlines to achieve strong passenger growth just to maintain earnings, he said.

Because of these factors, the drop in traffic "will push virtually every airline into a loss situation if it continues for the year," Mr. Hannah said.

In Oslo, SAS announced it would cut 3,500 of its 22,000 employees in an effort to slash annual costs by 3 billion Swedish kronor ($540 million) by the end of 1992.

The company, which before August was predicting steady profits this year, said it expected to break even at group level in 1990 compared with a 1989 profit of 2.66 billion kronor. It said traffic to the main destinations it serves in Europe has plunged 20 percent since fighting broke out last week.

Also Friday, KLM Royal Dutch Airlines said it would combine services or substitute smaller aircraft to 19 of its 63 European destinations because of decreased passenger bookings.

British Airways PLC, where passenger traffic has fallen 13 percent in the past week, has begun cutting its capacity by 8 percent through reduced flight frequencies and smaller aircraft, said Derek Ross, a spokesman for the carrier.

■ USAir Cuts Back Service

USAir Group Inc. will discontinue some flights and ground 18 planes by May 2, Reuters reported. USAir posted a $221 million loss for the fourth quarter. All flights will be terminated at six smaller airports in California, at Bellingham, Washington and Portland, Oregon. USAir will cut about 20 flights daily from Cleveland and 25 from Baltimore-Washington International Airport.

U.S. FUTURES

Via Associated Press Jan. 25

Season High	Season Low		Open	High	Low	Close	Chg.
Grains							
WHEAT (CBT) 5,000 bu minimum- dollars per bushel							
3.85	2.44½	Mar	2.51½	2.55½	2.51¼	2.55¼	+.03¾
3.73	2.54¼	May	2.61	2.65	2.60½	2.64½	+.02¾
3.63	2.62	Jul	2.69¼	2.74	2.68¾	2.73¾	+.04
3.26	2.69½	Sep	2.76¾	2.81¼	2.76	2.81¼	+.04½
3.17	2.81½	Dec	2.89½	2.92¾	2.89¼	2.92¾	+.03¼
[illegible]	2.89¼	Mar				2.98½	+.02
Est. Sales		Prev. Sales 5,531					
Prev. Day Open Int. 48,129 off 412							
WHEAT (KCBT) 5,000 bu minimum- dollars per bushel							
		Mar	2.57	2.68¼	2.57	2.60¾	+ .04
		May	2.63½	2.66½	2.63	2.66½	+ .03½
		Jul	2.69½	2.71½	2.68½	2.71¼	+ .02¼
		Sep	2.75¼	2.76	2.74½	2.77½	+ .02½
		Dec				2.86½	+ .03
		Mar	2.90½	2.90½	2.90½	2.90½	+ .02½
Est.Sales	Prv.Sales 3,328	Prev.Day Open Int 24,788				Chg. —555	
CORN (CBT) 5,000 bu minimum- dollars per bushel							
3.02½	2.27¼	Mar	2.40¼	2.42¾	2.39½	2.42½	+.02¼
3.06½	2.35	May	2.47½	2.51	2.47	2.50¾	+.03½
3.08¼	2.41½	Jul	2.53¾	2.57	2.53½	2.56¾	+.03
2.87½	2.40¼	Sep	2.54	2.57	2.53¾	2.57	+.03
2.75	2.42½	Dec	2.56½	2.59¾	2.56¼	2.59¼	+.03¼
2.64	2.49	Mar	2.62¾	2.66½	2.62¾	2.66¼	+.03¼
2.67	2.58¼	May	2.69¾	2.70¼	2.69¼	2.70¼	+.03
Est. Sales		Prev. Sales 29,818					
Prev. Day Open Int.208,878 up 1,394							
SOYBEANS (CBT) 5,000 bu minimum- dollars per bushel							
7.03	5.49½	Mar	5.70	5.73¼	5.68	5.71½	+.00¾
7.11	5.61	May	5.83	5.87½	5.82	5.86	+.01
7.18	5.74	Jul	5.97	6.00½	5.95½	5.99½	+.02
6.95	5.82	Aug	6.01	6.04½	5.99½	6.02½	+.01¼
6.54	5.83½	Sep	6.01½	6.04½	6.00	6.03	+.01½
6.74	5.90½	Nov	6.08	6.11½	6.06¾	6.10½	+.01½
6.42½	6.02½	Jan	6.20½	6.23½	6.20½	6.22¾	+.02¼
6.54	6.11¼	Mar	6.32	6.35	6.32	6.35	+.02½
Est. Sales		Prev. Sales 44,525					
Prev. Day Open Int.105,427 off 391							
SOYBEAN MEAL (CBT) 100 tons- dollars per ton							
212.00	161.00	Mar	163.00	163.50	162.10	162.20	—.60
208.00	166.00	May	167.60	168.40	166.90	167.00	—.80
209.00	170.00	Jul	171.80	172.40	171.20	171.40	—.80
195.50	172.50	Aug	174.00	174.20	172.90	173.10	—.90
193.50	173.00	Sep	174.80	175.20	173.90	174.00	—.80
189.00	172.50	Oct	175.60	175.60	174.70	174.90	—.70
191.50	174.00	Dec	178.30	178.50	177.60	177.80	—.50
190.50	178.00	Jan	179.50	179.50	177.80	177.50	—.50
Est. Sales		Prev. Sales 24,519					
Prev. Day Open Int. 62,833 up 2,549							
SOYBEAN OIL (CBT) 60,000 lbs- dollars per 100 lbs.							
25.61	19.82	Mar	22.00	22.43	21.98	22.41	+.34
25.55	20.15	May	22.35	22.73	22.25	22.68	+.25
25.60	20.85	Jul	22.50	22.92	22.50	22.91	+.25
25.50	20.90	Aug	22.40	22.91	22.40	22.80	+.10
25.10	21.00	Sep	22.70	22.75	22.45	22.65	
24.90	21.08	Oct	22.45	22.75	22.45	22.28	—.04
24.00	21.17	Dec	22.60	22.87	22.60	22.41	—.14
22.95	21.00	Jan	22.68	22.70	22.50	22.55	+.20
22.95	20.10	Mar				22.55	+.20
		May				22.55	+.20
Est. Sales		Prev. Sales 14,636					
Prev. Day Open Int. 72,590 off 182							
Livestock							
CATTLE (CME) 40,000 lbs.- cents per lb.							
78.20	72.50	Feb	77.57	78.15	77.42	77.85	+.28
78.05	74.15	Apr	77.35	77.67	77.22	77.35	—.07
75.45	72.15	Jun	74.35	74.80	74.30	74.67	+.17
73.95	70.35	Aug	73.20	73.40	73.20	73.32	+.27
73.85	70.70	Oct	73.25	73.62	73.25	73.50	+.25
74.30	71.75	Dec	73.75	74.00	73.75	73.85	+.28
74.45	72.80	Feb	73.47	73.50	73.47	73.50	+.25
Est. Sales 14,545		Prev. Sales 19,352					
Prev. Day Open Int. 73,508 up 1,071							
FEEDER CATTLE (CME) 44,000 lbs.- cents per lb.							
89.97	79.75	Jan	89.90	90.20	89.80	90.10	+.20
87.25	80.90	Mar	86.85	87.00	86.75	86.85	
85.70	81.20	Apr	84.97	85.30	84.90	85.05	+.05
84.40	80.20	May	83.45	83.75	83.30	83.07	—.03
83.85	80.20	Aug	83.32	83.60	83.32	83.55	+.30
83.25	79.75	Sep	83.25	83.40	83.20	83.30	+.20
83.00	80.20	Oct	83.00	83.25	83.00	83.15	+.25
83.25	81.20	Nov	83.20	83.30	83.20	83.30	+.10
Est. Sales		Prev. Sales 2,179					
Prev. Day Open Int. 72,740 off 248							
HOGS (CME) 30,000 lbs.- cents per lb.							
53.15	45.25	Feb	53.40	54.20	53.15	53.58	+.65
50.90	43.60	Apr	51.00	51.80	50.95	51.12	+.22
55.87	47.70	Jun	55.65	56.10	55.22	55.27	—.35
55.75	48.30	Jul	55.50	55.95	55.15	55.25	—.25
53.22	46.90	Aug	52.97	53.47	52.85	52.90	—.07
48.00	42.90	Oct	48.00	48.25	47.50	47.30	—.05
48.50	44.50	Dec	48.00	48.35	47.73	47.75	—.25
48.15	44.50	Feb	48.20	48.25	47.60	47.95	—.27
Est. Sales		Prev. Sales 11,727					
Prev. Day Open Int. 21,547 up 708							
PORK BELLIES (CME) 40,000 lbs.- cents per lb.							
73.80	48.07	Feb	69.90	70.40	68.15	68.25	—1.15
72.45	49.20	Mar	69.60	70.15	68.00	68.32	—.98
73.12	49.50	May	69.20	70.20	68.30	68.42	—1.25
72.80	50.75	Jul	69.35	69.85	67.20	67.55	—1.45
70.05	51.60	Aug	67.45	67.70	66.50	65.80	—1.45
63.00	61.10	Feb				62.75	—.40
61.00	61.00	Mar				63.05	
Est. Sales 6,489		Prev. Sales 5,489					
Prev. Day Open Int. 11,453 off 78							
Food							
COFFEE C (NYCSCE) 37,500 lbs.- cents per lb.							
116.75	83.00	Mar	86.50	86.85	85.30	85.95	—.80
123.00	87.00	May	88.90	89.25	87.90	88.50	—.80
111.50	89.25	Jul	91.25	91.75	90.40	90.85	—.75
113.50	91.50	Sep	93.60	93.75	92.75	92.90	—1.00
116.00	95.35	Dec	96.70	96.70	95.90	96.00	—1.00
107.50	98.00	Mar	98.50	98.50	98.50	98.50	—.65
103.00	100.50	May	100.00	100.00	100.00	99.25	—.85
Est. Sales 7,259		Prev. Sales 3,842					
Prev. Day Open Int. 42,388 up 63							
SUGARWORLD 11 (NYCSCE) 112,000 lbs.- cents per lb.							
15.22	8.81	Mar	8.95	8.97	8.88	8.92	—.01
15.85	8.85	May	9.00	9.01	8.93	8.94	—.03
14.90	8.91	Jul	9.04	9.04	8.96	8.98	—.03
14.40	8.98	Oct	9.07	9.08	9.00	9.02	—.02
10.34	9.12	Mar	9.19	9.19	9.12	9.13	—.07
9.77	9.23	May	9.25	9.25	9.25	9.18	—.07
Est. Sales 9,480		Prev. Sales 14,971					
Prev. Day Open Int.129,043 up 1,483							
COCOA (NYCSCE) 10 metric tons- $ per ton							
1581	687	Mar	1154	1157	1143	1147	—3
1622	1000	May	1190	1197	1182	1189	
1590	1060	Jul	1226	1226	1221	1221	—5
1515	1248	Sep	1256	1265	1256	1268	+4
1535	1297	Dec	1310	1310	1300	1300	—3
1538	1339	Mar				1340	—3
1385	1385	May				1371	—3
Est. Sales 2,902		Prev. Sales 9,026					
Prev. Day Open Int. 41,713 off 104							
ORANGE JUICE (NYCE) 15,000 lbs.- cents per lb.							
190.50	101.20	Mar	119.30	120.50	116.00	116.25	—3.40
190.00	101.50	May	119.50	120.50	117.00	117.70	—2.35
180.00	102.50	Jul	120.50	121.25	118.80	119.25	—1.25
125.50	106.00	Sep	120.80	120.80	120.80	119.75	—1.20
Est. Sales 1,800		Prev. Sales 797					
Prev. Day Open Int. 6,679 off 155							
Metals							
HI GRADE COPPER (COMEX) 25,000 lbs.- cents per lb.							
124.40	94.00	Jan	105.70	105.40	104.70	104.15	+.95
120.80	99.50	Feb	103.00	105.10	103.00	104.40	+.85
122.60	92.30	Mar	103.20	105.20	103.10	104.20	+1.10
117.90	99.85	Apr	104.00	104.80	103.60	103.60	+.80
117.80	97.00	May	102.80	104.20	102.50	103.25	+.70
115.00	102.30	Jun	102.80	102.80	102.80	102.95	+.45
113.50	96.50	Jul	102.50	103.30	102.20	102.55	+.45
107.50	102.80	Aug				102.45	+.35
110.50	95.50	Sep	102.90	102.90	102.00	102.05	+.35
106.80	101.50	Oct	102.00	102.00	102.00	101.85	+.35
105.00	101.00	Nov				101.60	+.35
108.50	94.50	Dec	101.50	102.00	101.00	101.35	+.40
104.50	99.55	Jan				101.18	+.30
104.80	96.00	Mar	100.60	101.25	100.60	100.45	+.30
106.20	100.00	May	101.30	101.30	101.30	100.20	+.30
103.00	103.00	Jul				99.90	+.30
103.00	103.00	Sep				99.70	+.30
Est. Sales 7,000		Prev. Sales 11,470					
Prev. Day Open Int. 35,303 up 3,764							
SILVER (COMEX) 5,000 troy oz.- cents per troy oz.							
480.0	375.1	Jan				379.3	+3.2
399.0	397.5	Feb				379.7	+3.2
665.0	376.0	Mar	382.0	384.5	380.0	381.7	+3.2
647.0	381.0	May	388.0	389.5	385.0	386.9	+3.3
667.5	386.5	Jul	391.5	395.0	390.0	392.0	+3.4
654.0	391.0	Sep	395.5	398.5	395.5	397.1	+3.4
623.5	398.0	Dec	403.5	406.5	402.0	404.4	+3.4
576.0	421.5	Jan	404.0	407.8	404.0	406.2	+3.4
613.0	409.0	Mar	410.0	412.5	410.0	412.1	+3.4
589.0	426.5	May				417.4	+3.4
557.0	430.0	Jul	420.0	420.0	420.0	422.7	+3.4
482.5	427.5	Sep				428.4	+3.4
Est. Sales 15,000		Prev. Sales 30,787					
Prev. Day Open Int. 93,332 up 979							
PLATINUM (NYME) 50 troy oz.- dollars per troy oz.							
551.00	381.50	Jan	398.00	388.50	387.00	388.30	+5.90
554.50	385.50	Apr	390.50	393.50	390.00	392.30	+5.90
528.50	389.00	Jul	394.50	396.50	393.50	395.60	+5.90
513.00	397.00	Oct	399.00	401.50	398.20	399.20	+5.70
451.50	400.00	Jan				403.70	+5.70
438.50	438.50	Apr				409.70	+5.70
Est. Sales 1,722		Prev. Sales 3,290					
Prev. Day Open Int. 15,406 up 208							
PALLADIUM (NYME) 100 troy oz- dollars per oz							
142.00	80.50	Mar	88.25	89.25	88.25	89.05	+3.35
128.25	82.40	Jun	88.50	89.70	88.35	89.20	+3.35
119.40	84.00	Sep				89.60	+3.35
114.50	85.10	Dec				90.55	+3.45
135.75	135.75	Mar				91.30	+3.45
Est. Sales 256		Prev. Sales 249					
Prev. Day Open Int. 4,717 off 67							
GOLD (COMEX) 100 troy oz.- dollars per troy oz.							
403.20	272.00	Jan				375.70	+2.70
457.50	362.00	Feb	374.30	377.50	374.00	376.10	+2.60
408.50	375.00	Mar				377.40	+2.60
460.00	366.20	Apr	377.00	380.50	377.00	379.20	+2.60
466.20	372.00	Jun	380.00	383.80	380.00	382.40	+2.60
448.00	375.00	Aug	383.70	385.20	383.40	385.50	+2.60
476.80	385.00	Oct	389.00	389.00	389.00	388.90	+2.60
483.00	384.00	Dec	390.50	392.50	390.50	392.30	+2.60
456.50	391.50	Feb				395.80	+2.60
446.00	394.00	Apr				399.20	+2.60
467.00	398.50	Jun				402.70	+2.60
426.50	412.50	Aug				406.40	+2.60
418.00	410.00	Oct				410.00	+2.60
		Dec				413.70	+2.60
Est. Sales 34,000		Prev. Sales 37,242					
Prev. Day Open Int. 97,788 off 196							
Financial							
US T. BILLS (IMM) $1 million- pts of 100 pct.							
94.20	91.66	Mar	94.05	94.05	93.97	94.00	—.06
94.33	91.52	Jun	94.21	94.21	94.17	94.19	—.03
94.22	91.60	Sep	94.07	94.07	94.07	94.06	—.05
93.96	92.24	Dec	93.89	93.89	93.86	93.83	—.05
93.82	93.47	Mar				93.82	—.02
		Jun				93.72	
Est. Sales 4,946		Prev. Sales 9,745					
Prev. Day Open Int. 53,438 off 940							
5 YR. TREASURY (CBT) $100,000 prin- pts & 32nds of 100 pct							
101.210	97.080	Mar	101.090	101.105	100.315	101.000	—.085
101.120	99.010	Jun	100.280	100.280	100.215	100.220	—.085
Est. Sales		Prev. Sales 9,448					
Prev. Day Open Int. 74,148 off 776							
10 YR. TREASURY (CBT) $100,000 prin- pts & 32nds of 100 pct							
100-6	92-23	Mar	99-24	99-25	99-5	99-6	—12
99-23	93-18	Jun	99-11	99-12	98-23	98-25	—13
98-19	97	Sep				98-12	—14
Est. Sales		Prev. Sales 13,486					
Prev. Day Open Int. 70,148 off 2,306							
US TREASURY BONDS (CBT) (8 pct-$100,000-pts & 32nds of 100 pct)							
99-12	79-21	Mar	96-31	96-31	95-29	95-30	—24
99-4	82-18	Jun	96-9	96-9	95-13	95-14	—24
97-5	85-29	Sep	95-25	95-25	94-29	94-29	—25
98-20	85-19	Dec	94-29	94-29	94-12	94-12	—26
98-13	85-14	Mar	94-18	94-13	93-28	93-28	—26
97-19	85-3	Jun	93-22	93-22	93-12	93-12	—27
93-7	87-14	Sep				92-29	—27
94-11	85-6	Dec				92-14	—27
Est. Sales		Prev. Sales 304,325					
Prev. Day Open Int.260,064 up 788							
MUNICIPAL BONDS (CBT) $1000x index-pts & 32nds of 100 pct							
92-20	85	Mar	91-21	91-22	91-6	91-7	—11
91-28	84-26	Jun	91-11	91-11	90-26	90-27	—11
91-8	84-7	Sep				90-19	—11
Est. Sales		Prev. Sales 1,609					
Prev. Day Open Int. 10,971 up 150							
EURODOLLARS (IMM) $1 million-pts of 100 pct.							
92.96	89.96	Mar	92.93	92.93	92.83	92.84	—.07
93.06	89.91	Jun	93.01	93.02	92.92	92.94	—.06
92.96	90.04	Sep	92.87	92.87	92.79	92.81	—.05
92.65	90.04	Dec	92.61	92.62	92.55	92.55	—.06
92.55	90.09	Mar	92.52	92.53	92.46	92.47	—.05
92.27	90.26	Jun	92.25	92.25	92.19	92.20	—.05
92.05	90.32	Sep	92.02	92.02	91.96	91.97	—.05
91.77	90.34	Dec	91.72	91.73	91.66	91.68	—.05
91.68	90.28	Mar	91.66	91.66	91.60	91.61	—.05
91.56	90.27	Jun	91.53	91.54	91.48	91.49	—.05
91.49	90.27	Sep	91.45	91.46	91.40	91.41	—.05
91.37	90.22	Dec	91.30	91.30	91.25	91.26	—.05
91.34	90.24	Mar	91.25	91.25	91.21	91.21	—.05
91.26	90.40	Jun	91.16	91.16	91.12	91.12	—.05
91.22	90.36	Sep	91.07	91.07	91.07	91.06	—.05
91.08	90.74	Dec	91.02	91.02	90.99	90.98	—.05
Est. Sales		Prev. Sales126,428					
Prev. Day Open Int.639,999 up 3,802							
BRITISH POUND (IMM) $ per pound- 1 point equals $0.0001							
1.9520	1.6670	Mar	1.9470	1.9478	1.9320	1.9354	—24
1.9318	1.7660	Jun	1.9188	1.9180	1.9050	1.9074	—18
1.8800	1.8300	Sep				1.8850	—12
Est. Sales		Prev. Sales 10,567					
Prev. Day Open Int. 24,761 up 895							
CANADIAN DOLLAR (IMM) $ per dlr- 1 point equals $0.0001							
.8668	.7990	Mar	.8545	.8549	.8520	.8541	—27
.8598	.7995	Jun	.8482	.8485	.8466	.8482	—24
.8545	.7985	Sep	.8430	.8437	.8400	.8434	—21
.8488	.8175	Dec				.8387	—18
.8332	.8268	Mar				.8343	—16
Est. Sales		Prev. Sales 4,845					
Prev. Day Open Int. 27,226 up 80							
GERMAN MARK (IMM) $ per mark- 1 point equals $0.0001							
.6800	.5820	Mar	.6719	.6725	.6674	.6683	—39
.6777	.6232	Jun	.6678	.6684	.6642	.6646	—30
.6710	.6391	Sep				.6607	—34
.6595	.6348	Dec				.6575	—34
Est. Sales		Prev. Sales 30,117					
Prev. Day Open Int. 49,839 up 73							
JAPANESE YEN (IMM) $ per yen- 1 point equals $0.000001							
.008040	.006315	Mar	.007577	.007584	.007516	.007522	—24
.008010	.006645	Jun	.007562	.007565	.007506	.007507	—24
.007870	.007346	Sep				.007499	—24
		Dec				.007497	—24
Est. Sales		Prev. Sales 21,833					
Prev. Day Open Int. 46,096 up 1,152							
SWISS FRANC (IMM) $ per franc- 1 point equals $0.0001							
.8055	.6800	Mar	.7968	.7970	.7883	.7896	—41
.8030	.7065	Jun	.7948	.7948	.7863	.7873	—41
.8000	.6974	Sep				.7853	—41
.7990	.7780	Dec				.7837	—41
Est. Sales		Prev. Sales 21,221					
Prev. Day Open Int. 31,706 off 656							
Industrials							
COTTON 2 (NYCE) 50,000 lbs.- cents per lb.							
77.80	63.82	Mar	77.10	78.40	76.95	78.03	+1.38
77.40	64.40	May	76.35	77.55	76.20	77.16	+1.18
78.38	65.67	Jul	75.30	76.50	75.30	76.02	+.82
72.85	66.77	Oct	68.36	68.75	68.34	68.40	+.45
69.10	63.75	Dec	65.15	65.70	65.14	65.63	+.65
68.50	64.65	Mar	65.90	66.20	65.90	66.21	+.56
67.20	65.10	May	66.10	66.17	66.10	66.20	+.15
		Jul				66.20	+.43
Est. Sales 10,000		Prev. Sales 5,598					
Prev. Day Open Int. 42,312 up 91							
HEATING OIL (NYME) 42,000 gal- cents per gal							
102.00	52.60	Feb	70.00	70.15	68.60	69.90	—.82
96.50	50.70	Mar	64.20	64.20	63.00	63.00	—.99
92.00	49.30	Apr	58.80	59.25	58.50	58.80	—.20
88.50	48.40	May	54.80	55.40	54.50	54.90	—.25
85.75	48.00	Jun	53.30	53.70	52.90	53.30	+.15
85.00	48.00	Jul	52.90	53.00	52.75	52.80	+.15
85.07	52.00	Aug	53.25	53.70	53.25	53.40	+.25
84.28	54.00	Sep	55.00	55.00	55.00	55.00	+.85
85.00	55.00	Oct	55.30	55.30	55.30	55.30	+.15
78.00	56.50	Nov	56.30	56.30	56.30	56.30	+.15
82.62	54.00	Dec	56.90	57.40	56.90	57.30	+.15
68.50	57.20	Jan	57.40	57.40	57.40	57.40	+.15
Est. Sales 16,490		Prev. Sales 20,150					
Prev. Day Open Int. 65,948 off 9,177							
CRUDE OIL (NYME) 1,000 bbl.- dollars per bbl.							
35.40	18.40	Mar	21.80	22.05	21.30	21.50	—.21
33.90	18.03	Apr	20.80	21.00	20.30	20.55	—.08
32.70	18.03	May	20.15	20.15	19.60	19.69	—.15
31.50	16.65	Jun	19.40	19.55	19.10	19.15	—.17
30.40	17.08	Jul	19.24	19.25	18.90	18.92	—.12
29.50	18.70	Aug	19.10	19.10	18.82	18.85	—.01
28.72	18.50	Sep	18.90	18.95	18.75	18.95	+.21
28.40	18.70	Oct	18.80	18.80	18.65	18.75	+.09
28.10	18.80	Nov	18.67	18.80	18.67	18.80	+.19
27.70	18.75	Dec	18.75	18.80	18.60	18.65	+.06
27.40	18.80	Jan	18.70	18.75	18.70	18.75	+.17
27.00	18.55	Feb	18.70	18.70	18.70	18.70	+.12
26.75	18.80	Mar	18.70	18.70	18.60	18.70	+.12
26.50	18.75	Apr	18.70	18.70	18.70	18.70	+.12
24.60	18.07	May	18.69	18.69	18.69	18.69	+.11
24.50	18.80	Jun	18.70	18.72	18.69	18.69	+.12
22.11	18.85	Jul	18.60	18.70	18.60	18.70	+.11
Est. Sales 43,253		Prev. Sales 67,339					
Prev. Day Open Int.251,160 up 4,863							
UNLEADED GASOLINE (NYME) 42,000 gal- cents per gal							
95.00	49.85	Feb	63.50	63.50	62.15	63.25	+.65
98.00	50.65	Mar	63.00	63.00	61.90	62.40	+.21
98.25	54.90	Apr	65.70	65.80	64.90	65.50	+.48
97.00	55.05	May	63.98	64.10	63.40	63.68	+.20
95.50	54.90	Jun	62.40	62.40	61.70	61.75	+.05
82.70	58.50	Jul	60.50	60.50	60.00	60.20	+.30
87.00	55.10	Sep	56.50	56.50	56.50	56.50	+.50
86.75	53.00	Oct	54.00	54.00	54.00	54.00	+.40
75.25	59.50	Dec	51.10	51.10	51.10	51.10	+.15
Est. Sales 8,779		Prev. Sales 16,787					
Prev. Day Open Int. 55,443 up 952							
Stock Indexes							
SP COMP. INDEX (CME) points and cents							
380.20	298.00	Mar	334.50	338.50	334.85	337.90	+1.10
383.35	300.50	Jun	339.40	341.30	338.10	340.75	+1.15
341.50	304.00	Sep	343.85	343.85	343.85	343.35	+.90
337.25	321.75	Dec				345.85	+.90
Est. Sales		Prev. Sales 44,478					
Prev. Day Open Int.152,712 up 448							
NYSE COMP. INDEX (NYFE) points and cents							
207.80	163.85	Mar	183.45	184.65	182.60	184.35	+.75
199.25	165.85	Jun	184.90	186.05	184.00	185.75	+.75
186.50	173.10	Sep	187.00	187.00	187.00	187.10	+.75
185.35	175.50	Dec				188.45	+.75
Est. Sales		Prev. Sales 5,521					
Prev. Day Open Int. 5,242 off 15							

Commodity Indexes

	Close	Previous
Moody's	1,019.00 f	1,017.40 f
Reuters	1,663.20	1,665.50
D.J. Futures	125.15	124.69
Com. Research	214.09	214.54

Moody's : base 100 : Dec. 31, 1931.
p - preliminary; f - final
Reuters : base 100 : Sep. 18, 1931.
Dow Jones : base 100 : Dec. 31, 1974.

WORLD STOCK MARKETS

Agence France Presse Jan. 25

Amsterdam

	Close	Prev.
ABN Amro Hld	33	32.30
ACF Holding	31.50	31.80
Aegon	115.50	115.80
Ahold	64	63.60
Akzo	78.50	77
AMEV	48.80	48.90
A'Dam Rubber	3.35	3.40
Bols	177	177
Buhrmann Tett	48.90	48.30
Center Parcs	21.50	20.75
CSM	80.60	80.50
DAF	17.80	17.70
DSM	95.50	94.80
Elsevier	72.40	71.70
Fokker	27.50	27.60
Gist-Brocades	28.10	28.20
Heineken	132.50	132.30
Hoogovens	43.40	42.30
Hunter Douglas	55.50	55.30
IHC Caland	44.60	44.70
Inter Mueller	72.30	72.50
KLM	20.10	19.90
KNP	39	37.90
Nat Neder	N.Q.	56.60
Nedlloyd	39.70	39.60
NMB Postbank	N.Q.	43.70
Oce Grinten	41.50	40.50
Pakhoed	167.50	169.70
Philips	21.90	21.30
Robeco	86.80	86.40
Rodamco	54.20	53.30
Rolinco	80.40	79.60
Rorento	61.30	61
Royal Dutch	125.40	123.80
Unilever	146.60	145.90
Van Ommeren	40.30	40.70
VMF Stork	43.20	41.70
VNU	78.50	78
Wessanen	65.10	64.70
Wolters/Kluwer	46.60	46.40

CBS Gen'l Index : 79.70
Previous : 79.08

Brussels

	Close	Prev.
AG Fin	6000	5990
Arbed	2990	2990
Barco	1006	1006
Bekaert	6810	6810
Cockerill	140	140
Cobepa	4680	4700
Delhaize	5780	5700
EBES	N.Q.	—
GB-Inno-BM	1002	998
GBL	3080	3040
Gevaert	6100	6180
Hoboken	10000	10600
Intercom	148.75	148.75
Kredietbank	3305	3330
Petrofina	9790	9820
Royal Belge	3650	3650
Soc Gen Banque	4165	4165
Soc Gen Belgique	1970	1975
Sofina	10025	9980
Solvay	10550	10600
Tractebel	2950	2910
UCB	16575	16725
Unerg Ps	N.A.	—

Current Stock Index : 4822.15
Previous : 4808.28

Frankfurt

	Close	Prev.
AEG	193.50	193.30
Allianz Hold	2115	2088
Altana	471	465.50
Asko	835	837
BASF	204.60	203.40
Bayer	224.50	221.80
Bay. Hypo bank	301	300
Bay Vereinsbk	319	315
BBC	N.Q.	—
BHF Bank	366	364
BMW	382	379
Commerzbank	232.50	230
Continental	229	225
Daimler Benz	540	539.50
Degussa	306	298.50
Dt Babcock	141.50	140.50
Deutsche Bank	572.50	571.50
Douglas	732	735
Dresdner Bank	332	332
Feldmuehle	450	450
Harpener	481	476
Henkel	440	446
Hochtief	1105	1102
Hoechst	209.50	207.60
Hoesch	185	185
Holzmann	1080	1055
Horten	172	172
IWKA	265	265
Kali Salz	129.50	130
Karstadt	575	575
Kaufhof	428	430.50
KHD	162	163.50
Kloeckner Werke	108	109.50
Krupp Stahl	128.50	130
Linde	750	746
Lufthansa	105.50	106.50
MAN	332.50	330.50
Mannesmann	267.50	270.70
Metallgesell	415.80	414.50
Muench Rueck	2110	2175
Nixdorf	284	282.50
PKI	512	510
Porsche	695	688
Preussag	233.50	229.70
PWA	182	183.50
RWE	356.30	356
Rheinmetall	283	N.Q.
Schering	689	685
SEL	296	296
Siemens	583	580.50
Thyssen	181.80	182
Varta	295	295
Veba	298.50	296
VEW	195.20	195
Viag	325	326.60
Volkswagen	326	325
Wella	675.50	673.80

DAX Index : 1381.43
Previous : 1373.14
FAZ Index : 591.31
Previous : 598.63

Helsinki

	Close	Prev.
Amer A	40	40
Enso-Gutzeit	18.50	19
K.O.P.	26.20	30
Kymmene	30	30
Nokia	55	55
Pohjola	88	88
Stockmann	100	102
United Papers	N.A.	—
Wartsila	N.Q.	—

Unitas Index : 351.30
Previous : 350.18

Hong Kong

	Close	Prev.
Bk East Asia	16.10	16.20
Cathay Pacific	7.45	7.40
Cavendish Int'l	3.68	3.63
Cheung Kong	13.80	13.50
China Light Pwr	16.40	15.90
Dairy Farm Int'l	10.40	10.40
Hang Lung Dev	5.70	5.60
Hang Seng Bank	25.40	25.50
Henderson Land	8.80	8.45
HK Air Eng.	16.40	15.50
HK China Gas	10.80	10.70
HK Electric	9.95	9.85
HK Land	7.45	7.40
HK Realty Trust	4.38	4.30
HK Shang Bank	5	4.85
HK Shang Hlts	3.98	3.90
HK Telecomm	6.55	6.30
HK Ferry	3.95	3.85
Hutch Whampoa	13.20	12.80
Hysan Dev	1.18	1.15
Jardine Math.	28.50	27.90
Jardine Str Hld	15	14.30
Kowloon Motor	5.70	5.70
Mandarin Orient	4.25	4.25
Miramar Hotel	5	5
New World Dev	8.15	8.10
SHK Props	15.90	15.80
Stelux	2.70	2.58
Swire Pac A	16.50	16.20
Tai Cheung Pros	3.58	3.53
TVE	0.99	0.95
Wharf Hold	8.25	8
Wing On Co	7.50	7.35
Winsor Ind.	7.15	7.05
World Int'l	4.48	4.43

Hang Seng Index : 3204.26
Previous : 3140.50

Johannesburg

	Close	Prev.
AECI	14	13.20
Altech	80	80
Anglo Amer	85.75	86.75
Barlows	35	34.75
Blyvoor	10.15	10.15
Buffels	40	40
GFSA	60	60
Harmony	24	24.75
Highveld Steel	13	13.15
Kloof	25.25	26.50
Nedbank Grp	10.10	10.05
Rusplat	51	53.75
SA Brews	37.75	37.50
St Helena	27.75	28.40
Sasol	12.60	12.80
Welkom	16.75	17.75
Western Deep	91	96

Composite Stock Index : 2552
Previous : 2560

London

	Close	Prev.
Allied Lyons	4.63	4.78
Anglo Am Gld	29.88	31.88
AA Corp	12.94	13
Asda-MFI Gp	1.26	1.21
Ass Brit Foods	4.64	4.63
Barclays	3.59	3.54
Bass	9.13	9.48
B.A.T.	5.70	5.74
Blue Circle	2.17	2.16
BOC Group	5.10	5.02
Boots	3.18	3.20
Bowater	4.48	4.49
BAe	5.45	5.45
BAA	3.24	3.35
Brit Airways	1.25	1.25
British Gas	2.34	2.28
BP	2.98	2.98
British Steel	1.18	1.16
Brit Telecom	2.74	2.76
BTR	3.30	3.19
Burmah Oil	5	4.95
Cable Wire	4.72	4.64
Cadbury Sch	3.32	3.30
Charter Cons	4	4.05
Comm Union	4.56	4.55
Cookson	1	0.97
Courtaulds	3.27	3.22
Dalgety	3.40	3.38
De Beers	9.44	9.84
Dixons	1.44	1.43
Driefontein	5.23	5.27
Eurotunnel	4.50	4.23
Fisons	3.51	3.48
Gen Acc F	4.87	4.78
GEC	1.83	1.80
GKN	3.06	3.02
Glaxo	8.65	8.62
Grand Met	6.28	6.28
Gt Univ Stores	14	14
GRE	1.86	1.87
Guinness	7.25	7.48
Hanson Tr	1.92	1.88
Hawker Sidd	4.30	4.20
ICI	8.90	8.80
Kingfisher	3.69	3.77
Land Sec	5.34	5.30
Legal Gen Grp	3.67	3.63
Lloyds Bank	2.93	2.90
Lonrho	2.05	2.05
Lucas Ind	1.30	1.29
Marks Sp	2.20	2.26
Maxwell	1.40	1.39
MB Group	1.56	1.53
Midland Bk	1.57	1.40
NatWest	2.48	2.45
Pearson Grp	6.23	6.27
P and O	4.88	4.92
Pilkington	1.82	1.81
Prudential	2.03	1.99
Racal Elec	1.79	1.80
Randfontein	1.78	1.91
Rank Org	5.65	5.82
Reed Int'l	3.57	3.52
Reuters	7.50	7.37
Rolls Royce	1.46	1.47
Royal Dutch	N.Q.	—
RTZ	4.36	4.23
Saatchi	0.22	0.21
Sainsbury	3.26	3.22
Sears Holds	0.82	0.81
Shell	4.29	4.23
Siebe	6.30	4.09
STC	3.14	3.15
Std Chart Bk	2.11	2.10
Storehouse	0.97	0.94
Sun Alliance	3.29	3.27
Tate and Lyle	3.01	2.97
Tesco	2.46	2.44
Thorn EMI	6.28	6.22
T.I. Group	3.78	3.78
Trafalgar Hse	1.91	1.88
THF	2.86	2.72
Ultramar	3.02	2.94
Unilever	6.78	6.78
Utd Biscuits	3.33	3.27
Vickers	1.94	1.96
War Loan 3½	35.06	34.94
Wellcome	4.37	4.38
Woolworth	N.Q.	—

F.T. 30 Index : 1647.60
Previous : 1637.10
F.T.S.E. 100 Index : 2102.90
Previous : 2097.30

Madrid

	Close	Prev.
Bco. Bilbao/Viz.	2395	2455
Banco Central	4400	4400
Bco. Santander	4575	4380
Banesto	3200	3175
CEPSA	1495	1480
Dragados	2345	2335
Iberduero	665	651
Telefonica	877	865

S.E. General Index : 225.30
Previous : 223.32

Milan

	Close	Prev.
Banca Comm	3980	3945
Bastogi	264	264
Cigahotels	2187	2260
CIR	2085	2085
Cred Ital	2320	2290
Enimont	1430	1420
Eridania	6575	6580
Ferruzzi Fin.	N.Q.	1990
Ferruzzi Agr.	N.Q.	—
Fiat SPA	4789	4838
Generali	29490	29800
IFI	11850	12100
Italcem	17740	17600
Italgas	2451	2476
Inimmobiliare	N.Q.	58700
Mediobanca	13125	13100
Montedison	N.A.	—
Olivetti	2860	2885
Pirelli	1510	1540
RAS	15600	15720
Rinascente	5060	5072
Saipem	1290	1356
SIP	1165	1165
SME	2550	2600
Snia	1261	1270
Standa	N.Q.	26900
Stet	1763	1770
Toro Assi Risp	18500	18300

MIB current Index : 951.00
Previous : 952.00

Montreal

	Close	Prev.
Alcan Aluminum	23⅝	23½
Bank Montreal	32	31¾
Bell Canada	40¼	40
Bombardier A	16	N.Q.
Bombardier B	15	14⅞
Cambior	10½	10½
Cascades	3.85	3.80
Dominion Text A	5⅛	5⅛
Donohue	11	N.Q.
MacMillan Bl	16⅞	16⅞
Memotec	7½	7½
Natl Bk Canada	8⅞	8⅝
Noverco	N.Q.	—
Power Corp.	16¼	16¼
Provigo	10½	10½
Quebec Tel	14¼	14⅛
Quebecor A	15⅛	15⅛
Quebecor B	14	13⅞
Videotron	13	12⅞

Industrials Index : 1251.16
Previous : 1228.10

Paris

	Close	Prev.
Accor	615	615
Air Liquide	649	647
Alcatel Alsthom	531	522
Avions Dassault	470	462
Bancaire (Cie)	500	492.80
BIC	512	500
Bongrain	2298	2280
Bouygues	472	466.20
BSN-GD	754	745
Carrefour	3381	3325
Cerus	111.40	110
Chargeurs	710	710
Club Med	401.40	396.50
Elf-Aquitaine	279.70	278.10
Europe 1	1068	1042
Gen. Eaux	2249	2249
Hachette	170	164
Havas	399	398
Imetal	230	220
Lafarge Coppee	318	325
Legrand	3400	3360
Oreal (L')	488.90	488
L.V.M.H.	3310	3245
Matra	277.50	268
Merlin Gerin	452	451.10
Michelin B	73.50	70.95
Moulinex	82.55	81
Occidentale	652	619
Paribas	442.90	433
Pernod-Ricard	948	947
Perrier	1201	1183
Peugeot	438	437
Printemps (Au)	490	492.60
Radiotechnique	287	289
Raff. St. Louis	1220	1220
Redoute (La)	3272	3160
Roussel Uclaf	1760	1850
Saint Gobain	355.60	355.50
Sanofi	807	812
S.E.B.	1190	1187
Skis Rossignol	489	497
Ste Generale A	378.10	380
Suez	289.50	282.30
Telemecanique	N.A.	3400
Thomson-CSF	134	131.90
Total	573	576
Valeo	325	327.10

CAC 40 Index : 1562.00
Previous : 1553.77

Market Closed

The stock market in Sao Paulo was closed Friday for a holiday.

Singapore

	Close	Prev.
City Dev.	2.78	2.63
DBS	9.70	9.60
Fraser Neave	7.75	7.40
Genting	N.A.	—
Harrisons Plant	1.38	1.30
Haw Par	1.87	1.82
Hume	3.48	3.46
Inchcape	3.84	3.78
Keppel	6.05	5.90
KL Kepong	2.44	2.46
Lum Chang	0.90	0.88
Malayan Banking	3.92	3.94
OCBC	7.50	7.45
OUB	4.84	4.80
OUE	5.30	5.25
Sembawang	5.70	5.50
Shangrila	5.20	5.15
Sime Darby	2.62	2.59
SIA	10.40	10.20
S'pore Land	5.35	5.25
S'pore Press	7.60	7.55
Sing Steamship	2.36	2.21
Straits Trading	2.43	2.43
UOB	6.05	5.90
United Overseas	1.34	1.33

Straits Times Ind. : 1238.75
Previous : 1209.31

Stockholm

	Close	Prev.
AGA	275	270
Alfa Laval	175	177
Asea	538	524
Astra -A	415	415
Atlas Copco	191	193
Electrolux B	185	186
Ericsson	185	185
Essette-A	100	100
Handelsbanken	N.A.	—
Norsk Hydro	N.Q.	157
Procordia AF	147	140
Saab-Scania	180	178
Sandvik	240	245
SCA-A	105	105
S-E Banken	56	56
Skandia F	N.A.	—
Skanska	300	297
SKF	82	80.50
Stora	290	286
Trelleborg B	103	102
Volvo	229	227

Affaersvaerlden : 861.12
Previous : 857.06

Sydney

	Close	Prev.
ANZ	3.37	3.31
BHP	10.10	9.94
Boral	3.49	3.40
Bougainville	0.79	0.66
Coles Myer	8.36	8.20
Comalco	3.80	3.74
CRA	9.70	9.42
CSR	4.92	4.83
Dunlop	4.95	4.84
Elders IXL	0.43	0.45
ICI Australia	3.52	3.40
Magellan	2.01	2.01
MIM	1.45	1.43
Nat Aust Bank	5.68	5.54
News Corp	5.06	4.56
N Broken Hill	1.95	1.92
Poseidon	1.25	1.30
QCT Resources	1.09	1.08
Santos	3.70	3.70
TNT	1.17	1.06
Western Mining	4.07	4
Westpac Banking	3.75	3.57
Woodside	2.65	2.61

All ordinaries index : 1295.40
Previous : 1268.50

Tokyo

	Close	Prev.
Akai Electr	541	535
Asahi Chemical	708	708
Asahi Glass	1170	1170
Bank of Tokyo	1070	1050
Bridgestone	973	961
Canon	1280	1250
Casio	942	950
C.Itoh	670	674
Dai Nippon Print	1400	1400
Daiwa House	1860	1840
Daiwa Securities	1180	1190
Fanuc	4050	4050
Fuji Bank	2680	2570
Fuji Photo	3180	3210
Fujitsu	972	991
Hitachi	1130	1100
Hitachi Cable	910	910
Honda	1180	1210
Ito Yokado	3680	3680
Japan Airlines	1050	1060
Kajima	1580	1580
Kansai Power	3050	3000
Kawasaki Steel	410	409
Kirin Brewery	1440	1450
Komatsu	921	936
Kubota	615	619
Kyocera	3950	3970
Matsu Elec Inds	1630	1630
Matsu Elec Wks	1450	1490
Mitsubishi Bk	2440	2410
Mitsubishi Kasei	563	558
Mitsubishi Elec	660	655
Mitsubishi Hev	728	721
Mitsubishi Corp	1340	1300
Mitsui and Co	720	720
Mitsukoshi	1160	1140
Mitsumi	1050	1080
NEC	1380	1340
NGK Insulators	1040	1050
Nikko Securities	935	917
Nippon Kogaku	1110	1080
Nippon Oil	890	880
Nippon Steel	457	453
Nippon Yusen	560	541
Nissan	730	718
Nomura Sec	1770	1750
NTT (SF)	8966	8717
Olympus Optical	936	912
Pioneer	4480	4470
Ricoh	707	693
Sanyo Elec	550	557
Sharp	1200	1190
Shimazu	725	725
Shinetsu Chem	1160	1120
Sony	6880	5990
Sumitomo Bk	2140	2050
Sumitomo Chem	450	440
Sumi Marine	943	929
Sumitomo Metal	448	445
Taisei Corp	925	923
Taisho Marine	976	951
Takeda Chem	1640	1630
TDK	4490	4500
Teijin	502	501
Tokyo Marine	1340	1330
Tokyo Elec Pw	3880	3830
Toppan Printing	1350	1330
Toray Ind.	622	607
Toshiba	703	701
Toyota	1740	1750
Yamaichi Sec	899	882

Nikkei 225 : 23573
Previous : 23460
Topix Index : 1725
Previous : 1704

Toronto

	Close	Prev.
Abitibi Price	12⅝	12⅝
Agnico Eagle	6⅛	6⅛
Air Canada	8⅞	9
Alberta Energy	15⅜	15⅜
Am Barrick Res	22⅞	22⅝
BCE	40⅜	40⅛
BCED	0⅞	0.10
Bk Nova Scotia	13	12⅞
BC Gas	14⅜	14⅜
BC Phone	18⅞	18⅞
BP Canada	16⅛	16½
Bramalea	5½	5½
Brunswick	7½	7⅜
CAE	4.55	4.40
Campeau	0.41	0.41
CIBC	28⅛	28
Canadian Pacific	20⅞	20⅝
Can Packers	11	11
Can Tire A	22⅞	21⅛
Centor	21	20⅞
Cara	15⅛	N.Q.
CCL Ind B	8⅜	8⅛
Cineplex	2.10	2.07
Cominco	21⅞	21
Conwest Expl A	N.Q.	—
Corona A	3⅞	3.90
Denison Min B	0½	0½
Dickenson Min A	N.Q.	3.55
Dofasco	17⅛	16⅛
Dylex A	N.Q.	—
Echo Bay Mines	9⅛	9⅝
Equity Silver A	0⅝	0.80
FCA Intl	N.Q.	7
Fed Ind A	7	6⅞
Fletcher Chall A	14⅛	14½
FPI	5⅛	5⅛
GoldCorp	4.05	4
Gulf Cda Res	8⅝	8½
Hees Intl	16	16⅛
Hemlo Gld Mines	9½	9⅞
Hollinger	10⅞	10⅛
Horsham	8⅞	8⅞
Hudson Bay	N.Q.	—
Imasco	27⅞	27⅝
Inco	30⅛	30⅛
Interhome	46⅛	46
Jannock	12⅝	12⅝
Labatt	22⅝	22
Loblaw Co	18	18
Mackenzie	7⅛	7
Magna Intl A	2⅞	2⅛
Maritime	18⅛	18⅛
Mark Res	8	8
MacLean Hunt X	10	10
Molson A	34½	34⅛
Noma Ind A	4½	4.40
Noranda	16⅛	N.Q.
Noranda Forest	7⅝	N.Q.
Norcen Energy	24⅛	N.Q.
Nova Corp	8⅛	8⅛
Oshawa	33⅛	33
Pagurin A	5⅛	5⅞
Placer Dome	16⅛	16⅛
Poco Petroleum	7⅛	7½
PWA Corp	7½	7⅛
Quebec Sturgeon	N.Q.	—
Rayrock	8	8
Renaissance	13⅛	13⅞
Rogers B	7	6⅞
Rothmans	N.Q.	—
Royal Bank Can	24	24
Royal TrustCo	8⅞	8⅞
Sceptre Res	3.55	3.55
Scott's Hosp	14⅛	14
Seagram	101	100⅛
Sears Can	10	9⅛
Shell Can	37½	37⅛
Sherritt Gordon	6	6⅛
SHL Systemhse	4⅛	4
Southam	17⅛	17
Spar Aerospace	11⅛	11⅞
Stelco A	9⅞	9⅝
Teck B	20	20
Thomson News	16⅛	16⅛
Toronto Domn	18⅛	18⅛
Torstar B	24½	N.Q.
Transalta Util	12⅜	12⅜
TransCda Pipe	16⅛	16⅛
Trilon Finl A	11⅛	11⅞
Trimac	6⅛	6⅛
Trizec A	12⅛	12
Turbo Resources	N.Q.	—
Unicorp A	N.Q.	0½
Woodward's Ltd	1.55	1.45

TSE 300 Index : 3225.60
Previous : 3207.40

Zurich

	Close	Prev.
Adia Intl	825	825
Alusuisse	898	893
Leu Holdings	1180	1150
Brown Boveri	3880	3870
Ciba Geigy	2410	2420
CS Holding	1565	1540
Elektrow	2940	2900
Fischer	1250	1270
Interdiscount	2750	2850
Jacobs Suchard	8100	8180
Jelmoli	1410	1360
Landis Gyr	990	990
Moevenpick	4420	4400
Nestle	7530	7470
Oerlikon-B	465	468
Pargesa Hld	1000	920
Roche Holding B	3760	3750
Safra Republic	72	72
Sandoz	1955	1935
Schindler	4250	4200
Sulzer	318	330
Surveillance	730	728
Swissair	635	615
SBC	275	274
Swiss Reinsur	509	505
Swiss Volksbank	1100	1085
Union Bank	2940	2870
Winterthur	3900	3780
Zurich Ins	3800	3810

SBS Index : 531.80
Previous : 517.10

هكذا من الاصل

NASDAQ

Friday's Prices

NASDAQ prices as of 4 p.m. New York time. This list compiled by the AP, consists of the 1,000 most traded securities in terms of dollar value. It is updated twice a year.

12 Month High	Low	Stock	Div	Yld	PE	Sls 100s	High	Low	4 P.M.	Ch'ge
[illegible]										

AMEX

Friday's Closing

Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere. *Via The Associated Press*

12 Month High	Low	Stock	Div	Yld	PE	Sls 100s	High	Low	4 P.M.	Ch'ge
[illegible]										

Sales figures are unofficial. Yearly highs and lows reflect the previous 52 weeks plus the current week, but not the latest trading day. Where a split or stock dividend amounting to 25 percent or more has been paid, the year's high-low range and dividend are shown for the new stock only. Unless otherwise noted, rates of dividends are annual disbursements based on the latest declaration.

a — dividend also extra(s).
b — annual rate of dividend plus stock dividend.
c — liquidating dividend.
cld — called.
d — new yearly low.
e — dividend declared or paid in preceding 12 months.
g — dividend in Canadian funds, subject to 15% non-residence tax.
i — dividend declared after split-up or stock dividend.
j — dividend paid this year, omitted, deferred, or no action taken at latest dividend meeting.
k — dividend declared or paid this year, an accumulative issue with dividends in arrears.
n — new issue in the past 52 weeks. The high-low range begins with the start of trading.
nd — next day delivery.
P/E — price-earnings ratio.
r — dividend declared or paid in preceding 12 months, plus stock dividend.
s — stock split. Dividend begins with date of split.
sls — sales.
t — dividend paid in stock in preceding 12 months, estimated cash value on ex-dividend or ex-distribution date.
u — new yearly high.
v — trading halted.
vi — in bankruptcy or receivership or being reorganized under the Bankruptcy Act, or securities assumed by such companies.
wd — when distributed.
wi — when issued.
ww — with warrants.
x — ex-dividend or ex-rights.
xdis — ex-distribution.
xw — without warrants.
y — ex-dividend and sales in full.
yld — yield.
z — sales in full.

NYSE

Friday's Closing

Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere. *Via The Associated Press*

Luxury has been redefined.
The new Buick Park Avenue.

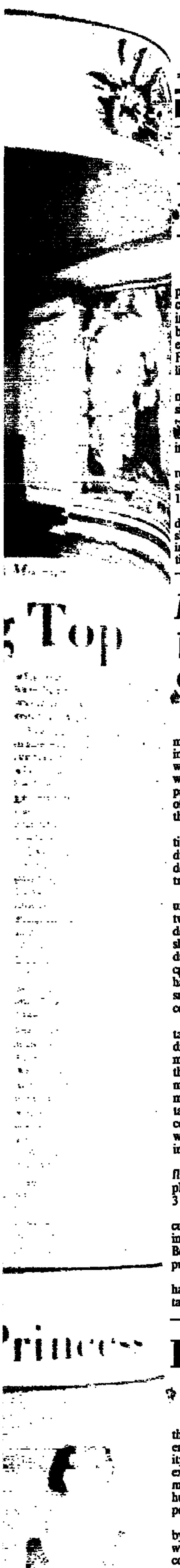
You'll be impressed.

GM CHEVROLET PONTIAC Oldsmobile BUICK Cadillac

General Motors North American Vehicles at GM Service GmbH
Postfach 1362, D-6090 Rüsselsheim, Germany.

(Continued on next page)

مكبرة من الاصل



EUROPE

Rhône-Poulenc Profit Is Halved

Compiled by Our Staff From Dispatches

PARIS — The net attributable profit of the French state-owned chemical group Rhône-Poulenc SA in 1990 will be around half the 4.09 billion francs ($809.2 million) posted in 1989, Chairman Jean-René Fourtou said in an interview published Friday.

Mr. Fourtou told the French business daily La Tribune de l'Expansion that the company's net earnings per share would be 20 francs rather than the 40 francs the company had indicated in September.

The company also announced a restructuring program, and said this should allow "a marked increase" in 1991 profit.

Rhône-Poulenc said the weak dollar, the worldwide economic slowdown and the effects of Brazilian government policy on its operations there had hit the company's business in 1990, and added that the adverse effects would continue into the first part of this year.

It said it set aside around 500 million francs during the fourth quarter of 1990 for a restructuring program, in addition to 244 million provided during the first nine months.

The sale of noncore operations, which began in 1990, will continue this year, allowing a reduction in Rhône-Poulenc's debt position.

Rhône-Poulenc investment certificates dropped 9.50 francs to 250.50.

Apart from the continuing sales of unspecified noncore activities, Rhone-Poulenc said its restructuring was aimed at increasing productivity and a more rigorous use of capital.

"The dividend, which is in the process of being negotiated with the main shareholder, will be reduced but ought to remain substantial in terms of yield," it said.

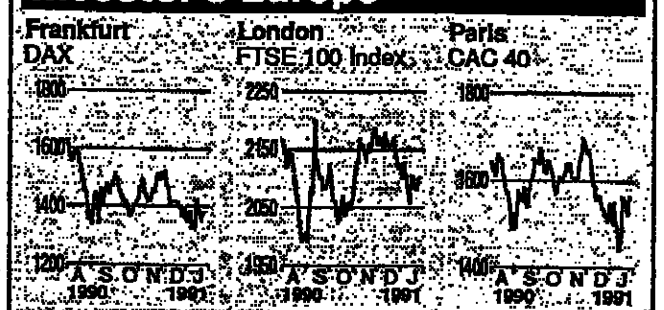
In 1989, Rhône-Poulenc paid a dividend of 17.50 francs per share and 22.50 francs per investment certificate, the nonvoting paper that is traded on the Paris Bourse.

Mr. Fourtou said in the newspaper interview that 2,500 jobs had been shed in Brazil through voluntary redundancies.

Asked how further productivity gains would be brought about, Mr. Fourtou said that 150 out of 700 jobs would go at its Elbeuf plant in northwest France, but the reduction would come through early retirement or not replacing people who left voluntarily. No plant closures were expected in France.

Mr. Fourtou said he was optimistic about an improvement in 1991 because of the relative immunity of its pharmaceutical, pesticide and fertilizer activities to the general economic downturn. These now accounted for 50 percent of turnover and 60 percent of operating profit. He added that the company's acquisition of Rorer Inc., which was merged with its pharmaceuticals division last year, helped limit the downturn in earnings. (Reuters, AFP)

Investor's Europe



Exchange	Index	Friday Close	Prev. Close	% Change
Amsterdam	CBS Trend	79.70	79.00	+0.89
Brussels	Stock Index	4822.15	4808.20	+0.29
Frankfurt	DAX	1381.43	1375.16	+0.46
Frankfurt	FAZ	591.31	590.63	+0.12
Helsinki	UNITAS	351.30	350.10	+0.34
London	Financial Times 30	1645.00	1637.10	+0.48
London	FTSE 100	2103.00	2099.30	+0.18
Madrid	General Index	225.30	223.32	+0.89
Milan	MIB	951.00	952.00	-0.11
Paris	CAC 40	1563.00	1553.77	+0.59
Stockholm	Affarsvarlden	861.12	857.08	+0.47
Vienna	Stock Index	468.53	468.26	+0.06
Zurich	SBS	521.00	517.10	+0.75

Sources: Reuters, AFP — International Herald Tribune

Rome Alters Way It Taxes Stock Gains

Reuters

ROME — The Italian government said Friday that it was replacing a controversial capital-gains tax with a two-option system under which investors could choose to pay a flat 20 percent tax at the time of a share sale or pay 25 percent in their annual income-tax returns.

Only under the second alternative would investors be able to deduct any losses from some share dealings from gains on other share transactions.

The law replaces an existing tax under which investors paid between 12.5 percent and 20 percent, depending on the length of time the shares were held. That tax, introduced in September, was strongly criticized by brokers who said it had resulted in a sharp decline in small investors' interest in the country's stock exchanges.

The decree setting out the new tax, which comes into effect immediately, was approved at a cabinet meeting on Friday. Nevertheless, the new taxes are only a temporary measure to run until the government introduces a revised system of taxation on capital gains. That will come as part of a review of the whole system of taxes on financial income, the Finance Ministry said.

For the next three months, the flat rate of 20 percent will be applied on a presumed capital gain of 3 percent.

Thereafter, the gain will be calculated according to the variation in the share price as quoted in the Bourse listing over the nine months prior to the sale, the Ministry said.

If the calculation showed no gain had been made over the period, no tax would be levied.

BBV Says Competition Curbed 1990 Profit

Reuters

MADRID — Banco Bilbao Vizcaya said Friday that its 1990 group results were hurt by rising costs due to increased competition for deposits, which cut net interest income 2.8 percent.

Pretax profit rose 0.3 percent to 141.5 billion pesetas ($1.51 billion), while results after tax were up 5.0 percent at 101.33 billion pesetas.

Other financial income rose 19 percent, to 71.07 billion pesetas, reflecting increased fees for banking services. Gross income rose 0.5 percent, to 404.64 billion pesetas. It said that at the same time it had strengthened its financial position by prudent provisioning.

BBV said it was confident a decision to raise provisions by 39 percent, to 75.96 billion pesetas, last year, taken because of an economic slowdown in Spain and the Gulf crisis, will strengthen the group.

"BBV has reinforced its traditional policy of conservative banking in the area of provisions," a move the bank said had "strengthened the group ahead of an uncertain future."

It said net loan-loss provisions alone almost doubled in 1990 to 40.99 billion pesetas, while provisions for stock market portfolio came to 13.18 billion pesetas, six times last year's level.

In a recent study, BBV stated its concern over the impact of stepped up competition for deposits last year, which saw most of the big seven banks offering high-interest current accounts.

It said this and limits by Bank of Spain on domestic credit growth had severely squeezed financial margins.

U.K. Deficit Narrowed in December

Compiled by Our Staff From Dispatches

LONDON — The current account deficit narrowed to £844 million ($1.66 billion) in December, after a November shortfall of £980 million, the government said Friday, but slowing imports and exports pointed to continued sluggish activity at home and abroad.

The December shortfall was the lowest since the £757 million deficit in April 1987. Analysts had forecast a deficit of £900 million.

Economists said the figures showed that the recession had started to curb business and consumer demand for imports. The data also indicated that manufacturers have not yet started to cut inventories in a major way.

"There still is a lot of unwanted inventory on the shelves," said Kevin Gardiner, economist at S. G. Warburg Securities. He and other economists expect the selling of existing inventories in the first quarter of this year to be the driving force behind further improvement in the trade performance.

Keith Skeoch, economist at James Capel & Co., said: "While a decline in domestic demand here is helping the trade performance, this is partly being offset by a collapse in exports to areas either affected by the Gulf war or recession."

Exports totaled £8.48 billion last month, down from £8.75 billion in November. Imports totaled £9.32 billion, down from £9.73 billion.

While import growth eased, the December slowdown was not as sharp as in a deep recession.

Imports fell by 1 percent in volume terms in the final quarter from the third quarter. But they were up 1.5 percent from a year earlier.

The Central Statistical Office estimated the current account deficit for 1990 at £16.1 billion. (Reuters, AP, AFP)

Banks Face Losses as Britain Curbs Swap Deals

By Steven Prokesch
New York Times Service

LONDON — The decision by the House of Lords that local governments in Britain had no authority to enter into interest-rate swaps exposes U.S. and European commercial and investment banks to hundreds of millions of dollars in potential losses.

The unanimous ruling Thursday by the five law lords of the House, which serves as Britain's highest court of appeals, means that international financial institutions — including U.S. companies like Citicorp, Chemical Bank, Security Pacific, J.P. Morgan and Salomon Brothers — face losses that could total as much as £600 million ($1.18 billion).

One banker at an American institution, who spoke on the condition of anonymity, estimated that exposure of United States banks was probably no more than 10 to 15 percent of the total.

British and French banks also were active in arranging the swaps, including Crédit Commerciale de France, whose losses have been estimated at between 250 and 500 million francs ($49.5 and $99 million).

Shares in bank CCF fell back 7 francs to 149 on the Paris Bourse in what dealers said was trading motivated by the House of Lords ruling.

Many of the banks had previously added to their reserves to cover the potential losses following rulings by lower courts, which date back to November 1989.

Interest-rate swaps are basically transactions in which two parties agree to exchange interest payments on their debts.

The financial institutions are liable in this case because the way they arranged the swaps was to enter into the individual agreements themselves, offsetting one swap against the other so their own position was neutral.

Before the current case, many financial institutions, lawyers, accountants and local governments had interpreted existing law to mean that the local governments could enter into swaps as part of their legal power to borrow.

In response to the decision, financial institutions called on the British government to pass a law that would make most if not all of the deals legal.

The decision "now frees the British government to take action and to provide a just outcome," said Mark C. Brickell, chairman of the International Swap Dealers Association, whose members include 130 financial institutions in 15 countries.

Mr. Brickell, who is also a vice president at J.P. Morgan & Co., noted in a telephone interview from New York that the Conservative government had previously said it would take no action while the matter was before the courts.

If the government does not act, financial institutions said they might sue those who had either entered into the swap deals or who had rendered opinions that they were legal. These include local governments, their individual councilors, lawyers and accounting firms.

Several bankers said Thursday that 130 local governments in Britain had engaged in interest-rate swaps with 78 banks. The Press Association, the British news agency, put the number of local governments at more than 70.

"There are likely to be hundreds of lawsuits," said Daniel Cunningham, a lawyer for the International Swap Dealers Association.

Executives of U.S. and British banks said if the British government did not settle the dispute, it would undermine confidence in British financial markets and threaten London's position as a major financial center.

Some bankers also warned that unless a new law were passed to legalize most swaps, including past deals, financial institutions would be reluctant to lend to local governments.

Indeed, several U.S. banks and many British banks had filed lawsuits against local governments that were on hold, pending the outcome of the test case.

German Issues Hit Record

Reuters

FRANKFURT — New issues on the German capital and equity markets, including some from eastern Germany, reached record highs last year, the Bundesbank said in its December report on the German securities markets.

Gross issuance on the German capital market rose to a total 428.7 billion Deutsche marks ($289 billion) in 1990 and was 175.4 billion DM above 1989's total. Excluding repayments, last year's net issues totaled 227.8 billion DM and were three times higher than 1989's total.

Share issues on domestic stock markets jumped to a record high of 27.8 billion DM after 1989's total of 19.4 billion.

In December, pan-German issuers put out 46.2 billion DM in bonds against November's 46.8 billion. In December 1989, before German unification, West German borrowers issued 26.2 billion DM. Excluding repayments, December's net issuance totaled 17.7 billion DM against 30.4 billion in November.

BUDGET: *War Makes It Harder*

(Continued from first finance page)

in budget authority in fiscal year 1991, with large additional costs in later years for the replacement of lost equipment."

If all losses of major weapons and munitions were replaced, the report added, the cost could range from $28 billion to $86 billion.

Those costs are to be reduced by aid from the allies, but how much they will contribute remains unclear. Up to the start of this year, direct allied contributions to U.S. Gulf operations came to $4.6 billion in cash and $1.3 billion in kind.

The Kuwaiti government-in-exile gave $2.5 billion in cash and $6 million in kind. On Friday, it said it would give $13.5 billion for the first three months of this year.

Saudi Arabia contributed $760 million in cash and $854 million in kind.

Japan contributed $428 million in cash and $206 million in kind up to this month.

Germany's contributions total $272 million in cash and $66 million in kind.

ASIA/PACIFIC

Consumer Prices Shoot Up in Japan

1990 Rise Was Sharpest in 9 Years

Compiled by Our Staff From Dispatches

TOKYO — Consumer prices in Japan shot up 3.1 percent in 1990 over their level a year earlier, registering the sharpest increase in nine years, the Management and Coordination Agency said Friday.

Economists said the data on consumer prices had compounded prospects that the Bank of Japan would try to fight inflation by keeping credit tight.

Agency officials attributed the sharp rise primarily to a 25.9 percent surge in kerosene and a 5.2 percent increase in gasoline prices. Prices of fresh vegetables and seafood rose 11.5 percent and clothing prices rose 5.5 percent.

A prolonged labor shortage and short supplies of manufactured products due to Japan's booming economy were also to blame, the officials said.

Private economists cited rapid money supply growth and the imposition of a 3 percent sales tax in 1989.

"Consumer prices are showing no signs of an immediate peaking yet," said Peter Morgan, economist at Barclays de Zoete Wedd Securities (Japan) Ltd.

In a speech prepared for delivery to the Diet, Finance Minister Ryutaro Hashimoto said Japan's overall domestic prices remain stable, but vigilance is needed on future price trends, given the tight labor market and unstable oil prices.

The economy has been expanding steadily and future economic policy should be aimed at sustaining such growth as long as possible while maintaining price stability, bearing due attention to the Gulf conditions, the minister said.

Concern over rising prices was heightened by the simultaneous release of closely watched Tokyo area prices for January showing a 4.2 percent advance from a year earlier, the largest since a 4.3 percent gain in December 1981.

The consumer price data showed the biggest jump since a 4.9 percent rise in 1981.

Japan's money supply growth peaked early in the year at around 13.2 percent, some 5 percentage points higher than what is generally thought to be the Bank of Japan's target level, while tight labor markets — unemployment is around 2.1 percent — has led to wage gains of around 6 percent.

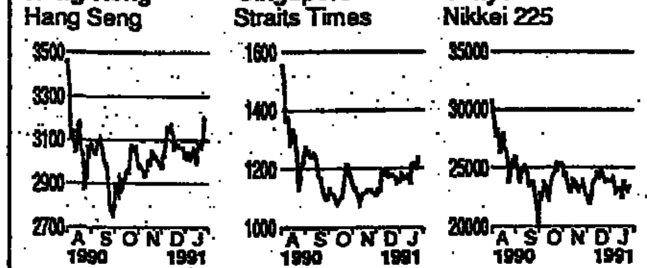
The 3 percent consumption tax imposed in April 1, 1989, drove prices in early 1990 up from year-earlier levels.

Michio Ochi, director general of the Economic Planning Agency, said in a speech to the Diet that Japan will be able to expand despite the Gulf war because it has cut its dependence on oil.

The planning agency, in a report, said, "Though worldwide oil prices are showing unstable movements since Iraq's invasion of Kuwait last August, their impact has been milder than the past two oil crises."

The economy will grow on the strength of domestic demand, supported by strong personal consumption and corporate spending on plants and equipment, the report said. (Reuters, AFP, UPI)

Investor's Asia



Exchange	Index	Friday Close	Prev. Close	% Change
Hong Kong	Hang Seng	3206.36	3140.50	+2.10
Singapore	Straits Times	1238.75	1209.31	+2.43
Sydney	All Ordinaries	1295.60	1268.50	+2.14
Tokyo	Nikkei 225	23573.25	23269.01	+1.31
Kuala Lumpur	Composite	483.44	479.44	+0.83
Bangkok	Book Club	556.82	551.72	+0.92
Seoul	Composite Stock	632.95	638.02	-0.79
Taipei	Weighted Price	4113.83	4089.84	+0.59
Manila	Composite	691.55	665.84	+3.86
Jakarta	Stock Index	384.21	384.98	-0.20
New Zealand	Barclays	1205.04	1190.00	+1.26
Bombay	National Index	491.77	501.54	-1.95

Sources: Reuters, AFP — International Herald Tribune

Malaysia Frees Bank Rates

Reuters

KUALA LUMPUR — Malaysian banks and finance companies will be allowed starting Feb. 1 to set their own base lending rates, which are now determined by the central bank, the central bank said Friday.

The institution, Bank Negara, said the action was a further step in the deregulation of Malaysia's financial system.

Bank Negara said it expected that the freeing of base lending rates would lead to marginal increases in those rates. The base rate is now 7.5 percent for all Malaysian banks except Malayan Banking Bhd and Bank Bumiputra Malaysia Bhd, whose rate is 7.25 percent. The base rate for finance companies is 9 percent.

The rule under which actual lending rates may not exceed the base lending rate by more than 4 percentage points will be retained. Bank Negara said it would also continue to fix a rate ceiling on loans to priority sectors, which include low and medium-cost housing and agriculture.

U.S.-Tokyo Talks on Trade Fail

By Paul Blustein
Washington Post Service

TOKYO — U.S. efforts to obtain greater access to the Japanese construction market ended in failure Friday, raising the specter of possible retaliation against Japanese construction firms seeking public works contracts in the United States.

Negotiations between U.S. and Japanese officials on the construction issue "broke off today, and no further talks are scheduled," a spokesman for the U.S. Embassy said.

The U.S. side would still be willing to consider new Japanese proposals, but three days of talks this week "reached an impasse on a number of critical issues, and it was determined that no additional progress could be made at this point," the spokesman said.

The development could lead to a nasty confrontation between Tokyo and Washington.

According to Kenichiro Sasae, a top official of the Japanese Foreign Ministry, it was suggested by the head of the U.S. delegation, Commerce Undersecretary J. Michael Farren, that given the lack of progress in reducing barriers facing U.S. construction firms operating here, the United States may retaliate against Japanese companies.

But because of the U.S. government's strong desire to maintain allied unity in the war against Iraq, the American side soft-pedaled its immediate reaction to the breakdown in the talks.

The Embassy spokesman provided general information to reporters making inquiries, but no press release was issued.

The low-key U.S. approach was in deference to the fact that on Thursday, the government of Prime Minister Toshiki Kaifu had announced a plan to contribute $9 billion toward the U.S.-led effort in the Gulf.

But the U.S. government may well take the gloves off soon.

Led by Senator Frank Murkowski, an Alaska Republican, many members of Congress have been prodding the government to take a tough line on the construction issue.

The administration had set a Jan. 15 deadline for determining whether a 1988 accord on construction was working satisfactorily. In that pact, Japan agreed to open 14 big public-works projects, including the building of the new Kansai international airport near Osaka, to foreign bidders.

U.S. officials have expressed dissatisfaction with the way the Kansai authorities have awarded contracts. They have also asked for the opening of additional public-works projects.

The Japanese have rejected that demand, contending that the initial pact was designed simply to give foreign firms the opportunity to gain the sort of track record in the Japanese market that is essential to operating here.

Vehicle Output In Japan Rose 3.5% in 1990

Compiled by Our Staff From Dispatches

TOKYO — Production of cars, trucks and buses rose 3.5 percent, to a record 13.49 million vehicles last year, the Japan Automobile Manufacturers Association said Friday.

Car production jumped 9.9 percent, to 9.95 million units, including 0.84 million minicars whose output soared 88 percent. But truck production declined 11 percent, to 3.5 million units, and bus output fell 7.5 percent, to 40,185.

Exports dropped about 1 percent to 5.83 million vehicles, but the decline was offset by strong domestic demand, which jumped 9.9 percent, to a record 7.89 million vehicles.

December exports are expected to fall 4 percent for the first year-on-year drop in four months. (AFP, Reuters)

COMPANY RESULTS

Revenue and profits or losses, in millions, are in local currencies unless otherwise indicated.

Italy

Fiat

Year	1990	1989
Revenue	54.40 T	52.02 T
Oper. Net	2.10 T	4.60 T

T: trillion.

United States

Ahmanson (H.F.)

4th Quar.	1990	1989
Net Inc.	0.46	46.90
Per Share	—	0.57
Year	1990	1989
Net Inc.	191.00	210.30
Per Share	1.64	1.80

Amdahl

4th Quar.	1990	1989
Revenue	644.40	625.80
Net Inc.	61.70	41.60
Per Share	0.55	0.38
Year	1990	1989
Revenue	2,160.	2,100.
Net Inc.	184.00	153.00
Per Share	1.64	1.39

Amer. President Cos

4th Quar.	1990	1989
Revenue	633.30	590.90
Net Inc.	2.00	(a)8.30
Per Share	0.02	—

a: loss. Per share results after preferred dividends.

AT&T

4th Quar.	1990	1989
Revenue	9,960.	9,310.
Net Inc.	698.00	705.00
Per Share	0.64	0.65
Year	1990	1989
Revenue	37,300.	36,150.
Net Inc.	2,740.	2,700.
Per Share	2.51	2.50

Bank of Boston

4th Quar.	1990	1989
Net Inc.	(a)187.0	9.80
Per Share	—	0.08
Year	1990	1989
Net Inc.	(a)395.0	70.80
Per Share	—	0.80

a: loss.

CalFed

4th Quar.	1990	1989
Oper. Net	(a)130.5	18.20
Oper. Share	—	0.72
Year	1990	1989
Oper. Net	(a)221.9	74.50
Oper. Share	—	2.97

a: loss. Nets include loss provisions of $77.9 million vs $22.6 million in quarters and of $288.9 million vs $64.1 million in years. Nets exclude gains of $5 million in 1989 quarter and of $6.5 million vs $7.9 million in years.

Chevron

4th Quar.	1990	1989
Revenue	13,800.	8,900.
Net Inc.	633.00	(a)883.0
Per Share	1.80	—
Year	1990	1989
Revenue	42,600.	32,800.
Net Inc.	2,160.	251.00
Per Share	6.10	0.73

a: loss. Quarter nets include charges of $168 million vs $1.2 billion.

Delta Air Lines

2nd Quar.	1991	1990
Revenue	2,130.	2,050.
Net Inc.	(a)207.8	64.20
Per Share	—	1.13
1st Half	1991	1990
Revenue	4,350.	4,220.
Net Inc.	(a)259.4	197.40
Per Share	—	3.65

a: loss.

Diamond Shamrock

4th Quar.	1990	1989
Revenue	831.70	557.70
Oper. Net	7.70	8.20
Oper. Share	0.32	0.27
Year	1990	1989
Revenue	2,710.	2,090.
Oper. Net	77.50	60.10
Oper. Share	2.78	2.10

Per share results after preferred dividends. 1989 nets exclude loss of $32 million.

Disney (Walt)

1st Quar.	1991	1990
Revenue	1,690.	1,290.
Net Inc.	170.40	174.40
Per Share	1.28	1.26

Dow Jones

4th Quar.	1990	1989
Revenue	442.90	439.30
Net Inc.	22.40	39.80
Per Share	0.23	0.39
Year	1990	1989
Revenue	1,720.	1,690.
Net Inc.	106.90	317.00
Per Share	1.06	3.15

1990 quarter share net includes charge of 7 cents.

Dun & Bradstreet

4th Quar.	1990	1989
Revenue	1,310.	1,160.
Net Inc.	135.20	137.40
Per Share	0.76	0.74

Exxon

4th Quar.	1990	1989
Revenue	35,260.	26,760.
Net Inc.	1,560.	485.00
Per Share	1.23	0.37
Year	1990	1989
Revenue	117,000.	96,290.
Net Inc.	5,010.	3,510.
Per Share	3.96	2.74

1989 nets include charges of 64 cents per share in quarter and of $1.33 in year.

FMC

4th Quar.	1990	1989
Revenue	980.50	822.70
Net Inc.	27.10	24.40
Per Share	0.75	0.68
Year	1990	1989
Revenue	3,720.	3,410.
Net Inc.	155.30	136.40
Per Share	4.30	3.79

1989 nets include charges of 22 cents per share in quarter and of $6 cents in year.

Golden West Financial

4th Quar.	1990	1989
Net Inc.	42.10	40.90
Per Share	0.66	0.65
Year	1990	1989
Net Inc.	181.50	157.90
Per Share	2.87	2.51

Mead

4th Quar.	1990	1989
Revenue	1,140.	1,080.
Net Inc.	(a)92.90	31.30
Per Share	—	0.50
Year	1990	1989
Revenue	4,770.	4,610.
Net Inc.	38.50	215.80
Per Share	0.62	3.33

a: loss.

NYSE

Friday's Closing

Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere. *Via The Associated Press*

(Continued)

12 Month High	Low	Stock	Div	Yld	PE	Sls 100s	High	Low	4 P.M.	Chge
[illegible]										

T

12 Month High	Low	Stock	Div	Yld	PE	Sls 100s	High	Low	4 P.M.	Chge
[illegible]										

U-V

12 Month High	Low	Stock	Div	Yld	PE	Sls 100s	High	Low	4 P.M.	Chge
[illegible]										

W

12 Month High	Low	Stock	Div	Yld	PE	Sls 100s	High	Low	4 P.M.	Chge
[illegible]										

X-Y-Z

12 Month High	Low	Stock	Div	Yld	PE	Sls 100s	High	Low	4 P.M.	Chge
[illegible]										

NYSE Highs-Lows

NEW HIGHS 62

Allergan, AmBrand s, AmFamily, AHlthPr, ApPw 812pf, ApPw 740pf, Assetinvst, Avon 2pf, BlackstnAdv, BlksfStr n, BlockHR, CBS wd, CUC Intl, CarterWall, Chiquita, ClaytonHme s, CntrCrd pf, DelE 228pr, EMC Co, Equifax wi, FedSignal s, GTE Fla pfB, GaPwr 247pf, GrtLkChm, HlthCrPr, HlthsthRehab, Imcera, IntFlav Fr, JacobsEng s, JamesRivr, JohnsJhn, Loctite, Lubrizol, MortMar, MinnPL, NatMedEn, NatwHltPr, OhEd 456pf, Pfizer, PhilMor, PolicyMgt n, vlPSNH 425p, vlPSNH 375p, RJR Nab pf, ReadrDig n, RepubNY, RP Rer n, SaraLee s, Skyline Co, SmithBchm, SmithBch eq n, StrideRite, Syntex, Tech Sym, TitanCo, UST, Unifi, UnivFd, Wabaninc, Walgreen, Walgreen wi, WheIbTch

NEW LOWS 7

BET Public, Ensearch, Proler s, RussTogs, SJuanBasin, TelecomCo, TucsonEP

AMEX Highs-Lows

NEW HIGHS 21

AlzaCo, Amlsrael, AmTr-Ibm prm, AmTr-mo sc, Astrtch wt, BioElec n, Bombay n, ChevSft, ColorSysT, ElanCo, Elan un, ForestLb, GnMicrwve, IvaxCp, Merrimac, PGE 2p10, PresidHlth, Sbarro, SierraHlth, TRC Cos, WellcoEnt

NEW LOWS 11

AmExplor, AmPracsn s, ConvestEn n, Copley, CoronaA g, EntrMkt, PresidO A, SFM Corp, SierCapR n, SierCap pf, WangLabC

INTERNATIONAL Herald Tribune

Saturday-Sunday,
January 26-27, 1991
Page 14

THE MONEY REPORT

FIRST COLUMN

The Ruble Run And the Soviet Money Supply

THIS week's decision by the Soviet government to discontinue the 100 ruble and 50 ruble banknotes as legal tender brings to mind the oldest, crudest cure for toothache. The adage runs that if people are really having a bad time with their teeth you just cut off their heads — whatever else it means, it is certainly the end of the dental problem.

In the Soviet case the monetary toothache has already spread to an abscess and has been threatening to spread its poison even further into the body politic. The avowed reasons for the decision to discontinue the two highest denomination notes were to cut inflation and attack the flourishing Russian black market, with its cash-rich operators.

Estimates vary as to the effect of the new rule, but the more conservative observers say that the Russian money supply will be cut by an incredible 20 percent, or more than 130 billion rubles. The efficacity of the measure as a crude, cheap way of cutting the money supply is beyond question.

BUT what about the side effects? Thanks to a distrust of banks, Soviet citizens keep large amounts of cash at home, much of it in what were high value notes. Those who suffer are the savers — the same thrifty folk whose habit is encouraged as being anti-inflationary in the West.

The precise motives for attacking inflation in the West varied considerably. But in general the idea was to promote confidence in money. The monetarists argued that economies needed sound money.

While the Russian move is disinflationary, it has promoted a run on the banks of the cruelest kind. Whatever else it has done, it has not promoted confidence in the concept of sound money.

If cutting off heads is dentistry Russian-style, this week's confiscation of 20 percent of the money supply is capitalism with a Stalinist central banking policy.

Defense Stocks Rebound as Weapons Star in Gulf War

By Conrad de Aenlle

SHARES are nervous enough in times of war, but the fact of war itself is not enough to make them turn tail and run. In market terms, the political factor of war has been secondary throughout the second half of this century to the underlying economics. What counts is inflation, the price of money, the price of oil.

But for defense stocks, war and the likelihood of war is an economic factor. The Gulf war was still more than a week away when the Pentagon dropped a bombshell on the home front: It announced that it was canceling the navy's $57 billion A-12 attack plane program in its development phase. The prime contractors, McDonnell Douglas and General Dynamics, had defaulted on the contract, the Defense Department said, by greatly exceeding their budget and falling way behind schedule. Their stocks plummeted.

The American public, officials seemed to be saying and shareholders inferring, had had enough of costly weapons programs after the shopping spree of the Reagan years.

Then the war started. The same public sat riveted to TV sets, watching the state-of-the-art weaponry wreak precise, tightly controlled destruction on Iraq.

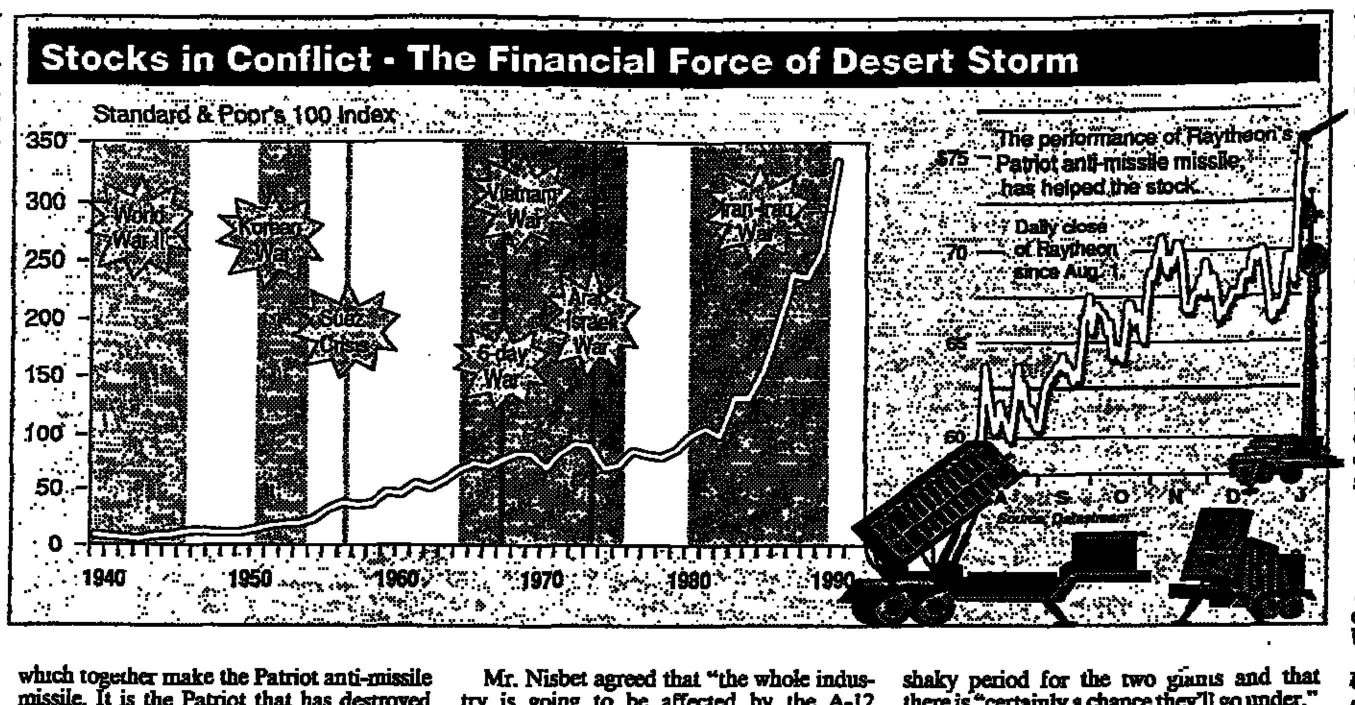
The Tomahawk cruise missiles made by McDonnell Douglas and General Dynamics were among the stars of the show. The companies' stocks soared. So did those of other defense concerns, many of which hit 52-week highs. War is hell, but not for everyone.

How well will defense shares do when peace breaks out? Analysts say it depends on how long the industry can hold on to the goodwill it has garnered from the early success of its weaponry in the Gulf.

Paul H. Nisbet, who follows the aerospace industry for Prudential Bache Securities, said Americans have had a distaste for military spending for some years. Since the outbreak of the Gulf war, though, "certainly public opinion has changed," he said. "I think it's going to be hard for any congressman to come out too loudly against defense spending."

Mr. Nisbet added, however, that the blossoming appreciation of military hardware will likely be confined to high-tech gadgetry.

Among the bigger beneficiaries, he said, should be Raytheon and Martin Marietta,



which together make the Patriot anti-missile missile. It is the Patriot that has destroyed nearly all of the Iraqi Scud missiles launched against Saudi Arabia and Israel.

Martin Marietta also makes anti-radar and electronic navigation systems that Mr. Nisbet said will probably receive favorable consideration when the next Pentagon budget is worked through.

He said he also liked Northrop, though not as much as the first two, because its B-2 fighter plane had done its job well in the Gulf and is likely to be the only stealth fighter made for quite some time because of the A-12 cancellation.

That project's demise — it was the biggest cancellation of a military order in U.S. history — will probably have a more lasting impact on the defense business than the Gulf war, analysts said.

"The A-12 is a real shocker to anybody who has covered this industry for a number of years," said Howard A. Rubel, an aerospace analyst for C.J. Lawrence, Morgan Grenfell. "It sends a direct message that the Pentagon will no longer tolerate bad contracts and bad performance."

Mr. Nisbet agreed that "the whole industry is going to be affected by the A-12 cancellation," but he was more forgiving of the contractors.

"There was a peculiar set of circumstances involved in this contract," he said. McDonnell Douglas and General Dynamics had to provide fixed estimates of their development expenses, which was virtually impossible because there was "no way of accurately assessing research and development costs."

They either had to accept this "flawed method of contracting" or else drop out of the bidding for a huge order in their primary field of business.

THE cancellation could mean losses running at least into hundreds of millions of dollars for the two defense giants. On the other hand, the Tomahawk cruise missiles they make account for only one or two percent of their sales, and so their sparkling success in the Gulf will probably not help the manufacturers' financial situation a great deal.

He said that the next few years will be a shaky period for the two giants and that there is "certainly a chance they'll go under."

The key is whether courts uphold Defense Secretary Dick Cheney's contention that the two contractors were in "default," language that means they would be liable for costs that could reach $2.5 billion, Mr. Nisbet said. "If it stands, there would be very serious jeopardy of bankruptcy."

But Mr. Rubel said that "neither has a solvency problem. If everything goes against them, their exposure could be several hundred million dollars."

In either case, Mr. Nisbet said he thought that "ultimately the contractors will win" in court, "but it will be a Pyrrhic victory for the heaps of criticism" they will face during the legal battle, which he said could take two to five years.

Defense companies are sensitive to such criticism because the industry has always been a slave to the public's attitude toward military spending.

A price bottom in defense issues, Mr. Nisbet said, usually comes with a "change in public perception that instead of spending less, we should spend more."

Conversely, Mr. Rubel said, "when we're sort of satisfied that we've spent enough on weapons systems, we tend to top out."

This leads to an ironic circumstance: It can be better to buy defense issues when a dove is in the White House and sell during a hawk's tenure.

An investor would have done quite well buying them during the Carter administration and then selling them in the mid-1980s, during the Reagan years, Mr. Nisbet noted. After the middle 1980s, when the Reagan administration's weapons programs were in production and Americans felt sufficiently armed, shares in the defense sector fell back.

The attitude that America's arsenal was as big as it needed to be has persisted, although there were signs, even before the Gulf war, that the mood was starting to tip in the other direction. "Uprisings, especially in the Soviet Union, will keep us more on guard," he said.

BUT until the A-12 case is resolved, when the "black cloud will be lifted," it's best to stay away from defense stocks, Mr. Nisbet said, even if the United States is "close to the bottom on defense spending."

After all, "if you can't feel safe about a $57 billion order keeping you out of bankruptcy," it's a risky business to invest in.

Mr. Rubel echoed his colleague's sentiments, saying, "We're sort of in a never-never land" in which spending on military systems is likely to remain low and defense stocks will perform sluggishly.

And yet in the *first four* trading days after the war began, McDonnell Douglas' shares rose 24 percent and General Dynamics' rose 38 percent.

"These stocks have been beaten up so badly, much more than they needed to be," Mr. Nisbet said, explaining the rebound from the steep sell-off they suffered after the A-12 announcement. But until the default case is resolved, the shares will likely stay undervalued and "will probably hold around here or go down after the war."

In choosing where to invest, Mr. Rubel said, "you have to walk gingerly and find some companies with good balance sheets." The only aerospace concern whose stock he would recommend is Boeing, which is primarily a manufacturer of commercial jets. That market, he said, is likely to stay strong and Boeing has a good chance to increase its share in it.

ADVERTISEMENT

INTERNATIONAL FUNDS — January 25, 1991

Quotations supplied by funds listed. Net asset value quotations are supplied by the Funds listed with the exception of some quotes based on issue price.
The marginal symbols indicate frequency of quotations supplied: d - daily; w - weekly; b - bi-monthly; r - regularly; t - twice weekly; m - monthly

ABACUS FUNDS
m Abacus Fund Ltd $ 7.99
m Abacus Guart.Fd.July 95 $ 10.22
b Abacus Guart.Fd.Mar 94 $ 9.68
ABC INVESTMENT & SERVICES CO (E.C.)
m ABC Futures Fund Ltd $ 104.18
ABN BANK LD.08, P.O. Box 669, Amsterdam
w ABN-Aandelenfonds Fl 68.52
w ABN-Beleggingsfds Ned. Fl 53.14
w Aldollar $ 23.00
w Alrenta Fl 143.40
w America-Fund (LE) $ 158.36
w Asian Tigers Fund $ 28.98
w LDC Risk Inv. Fund $ 1123.64
w Trans Europe Fund $ $ 40.29
w Trans Europe Fund Fl Fl 68.34
AIG FUND MANAGEMENT Ltd
d AIG Amer. Eq. Trust $ 22.36
d High Life Fund Ecu 9.96
d UBZ Euro Optimizer Ecu 9.65
ALFRED BERG
w Berg Norden Sicav $ 128.43
Alfred Berg Sicav
w Global $ 117.80
w Germany $ 124.62
w Switzerland $ 92.96
w Netherlands $ 92.97
ALPHA ASSET MANAGEMENT Ltd
De Ruyterkade 62, Curacao NA 5999 617844
m Alpha Arbitrage Fund $ 270.69
m Alpha Europe Fund Ecu 238.89
m Alpha Futures Fund Ltd $ 149.53
m Alpha Global Fund $ 648.89
m Alpha Hedge Fund $ 322.02
m Alpha Pacific Fund Ltd $ 262.70
m Alpha Short Fund Ltd $ 132.00
m Alpha Tilldale Fund $ 111.70
m Curran-Alpha Hlth Care Fd $ 264.86
w Heisei Japan Fund Y 12723.00
w Nicholas-Applegate Aurellas $ 155.30
m Nicholas-Applegate Hge Fd $ 114.93
ARRAL ASSOCIATES Ltd
w Arral Asian Fund $ 120.41
w Arral Int'l Hedge Fund $ 87.38
ASSETMIX FUND
Lux. Tel: (352) 489061
BOND FUNDS
d Alpha Worldwide SF 48.56
d Deutschmark Bond DM 49.53
d Sterling Pound £ 114.60
d US$ Bond $ 118.23
EQUITY FUNDS
d Alpha European Ecu 1.01
d Alpha Japanese Y 781.87
d Alpha Pacific Rim $ 1.27
d Alpha UK £ 1.10
d Alpha US$ $ 1.38
d Alpha Worldwide SF 4.80
d Gold Share $ 0.89
RESERVE FUNDS
d Deutschmark Reserve DM 11.32
d Sterling Reserve £ 13.17
d US$ Reserve $ 11.54
BA GATEWAY FUND
w Belgium Fixed Income BF 10417.00
w Germany Fixed Income DM 100.13
w Netherlands Fixed Income Fl 99.44
w US Dollar Fixed Income $ 108.92
w Japan Equity Y 10841.00
w Pacific Equity $ 84.69
w Int'l Portfolio A $ 102.00
w Int'l Portfolio B Ecu 98.18
BANQUE BELGE ASSET MGMT FUND
Shore Distributor Guernsey 0481 726614
w Int'l Bond Fund (Sicav) $ 12.87
w Int'l Equity Fund (Sicav) $ 9.96
BANQUE DE GESTION E. DE ROTHSCHILD LUXEMBOURG S.A.
b Eagle Fund LF 8121.00
b Europe Japan Fund $ 9.84
b Government Secur. Fd $ 66.66
w Hispano Int'l Fund Ecu 11.04
b Leicom $ 2280.81
b Opportunities $ 943.78
b Optigest Curshor Gen. DM 117.30
b Optigest Fixed Inc. DM 97.55
b Prifirst $ 542.46
b Primo Fund DM 38.72
w Rente Plus BF 4822.00
f Select. Horizon FF FF 63478.24
b Star Convert. Fd Fl Fl 9593.00
b Star Convert. Fd US$ $ 93.56
BANQUE INDOSUEZ
w The Dragon Fund Sicav $ 95.92
w Asian Growth Fund $ 30.81
w Asian Income Fund $ 9.15
w Diverbond SF 71.20
m Dual Futures Fd Cl A Units $ 111.06
m Dual Futures Fd Cl B Units $ 110.25
m Dual Futures Fd Cl C Units $ 105.32
m Dual Futures Fd Cl D Units $ 106.08
m Galaxy Futures Fund Ltd $ 113.81
w Himalayan Fund $ 9.83
d Indosuez Hong Kong Fund $ 16.020
w Int'l Bond Fund $ 10.97
w IPNA-3 $ 1128.00
w ISA Japan Rec. Gr. Fund Y 888.00
w Japan Fund $ 12.680
d Japan Warrant Fund $ 2.75
w Malacca Fund $ 13.51
w Managed Trust $ 14.080
w Manila Fund $ 6.80
w North American Fund $ 30.600
w Or. Vent. Tst. $ 37.630
w Pacific Gold $ 10.41
w Pacific Trust HK$ 19.440
w The Siam Fund $ 19.83
w Singap & Malay Trust $ 12.010
w Tasman Fund $ 3.49
d Worlwide Growth Fund $ 9.730
BANQUE PRIVEE E. DE ROTHSCHILD
w Daiwa Capital E. Fund $ 770.82
w Daiwa LCF Rothschild $ 1082.15
w Ecu D'Or Ecu 47.91
b Pri - Tech $ 1103.97
b Source Sicav $ 12.18
BANQUE SCANDINAVE EN SUISSE-GENEVE
w Intelbond Chf. SF 71.84
w Intelsec Chf. SF 1379.14
w Universal Intelbond $ $ 16.06
w Universal Intelbond FF FF 104.76
w Universal Intelsec $ 12.90
BEARBULL
w BB Forex Ltd. $ 1087.10
w BB Futures Ltd. $ 980.40
w BB Global Ltd BEF BF 879.78
w BB Global Ltd CHF SF 8.73
w BB Global Ltd FRF FF 88.05
BNP INTERFUNDS
BNP LUXEMBOURG
w Interbond Fund $ 216.00
w Interbelgium BF 53154.00
w Interecu Fund A Ecu 265.06
w Interecu Fund B Ecu 1109.06
INTER CASH
f France Securite FF 13212.16
f France Monetaire FF 11336.63
f ECU Ecu 1464.58
f US$ $ 1106.24
f DM DM 2217.93
f GBP £ 1141.78
f FRF FF 15354.13
f France Capital FF 12277.33
INTER OPTIMUM
w BEF/LUF BF 75602.00
w Multidevises DM DM 2076.84
w US$ $ 1051.35
w FRF FF 10928.30
INTER STRATEGIE
w France FF 8825.85
w Europe du Nord £ 877.72
w Europe du Centre DM 1772.26
w Europe du Sud Ecu 860.85
w Japan Y 127349.00
w Amerique du Nord $ 980.03
w Sud-Est Asiatique $ 771.77
BNP JERSEY
INTER CURRENCY
w US$ $ 12.0713
w DM DM 23.7368
w GBP £ 13.0287
w International Managed $ 11.9813
INTER EQUITY
w French Offer $ 15.23
w Pacific Offer $ 15.33
w North American Offer $ 10.32
w European Class $ 9.36
w Australia Class $ 8.75
BROADGATE INTERNATIONAL FUND
d $ Money Market $ 14.02
d Non-$ Money Market DM 23.71
d $ Bond $ 14.53
d Non-$ Bond DM 31.63
d European Equities $ 9.57
d Global Equity $ 14.05
d Global Bond $ 15.44
d Global Bond & Equity $ 14.93
d Pacific Equities $ 9.55
d Prec. Mets / Min. Secs $ 7.27
CAISSE CENTRALE DES BANQUES POP.
w Fructilux Actions Euro Ecu 1039.22
w Fructilux Actions Fses FF 3951.98
w Fructilux Court Terme FF 6509.55
d Fructilux Oblig. Euro Ecu 1170.13
d Fructilux Oblig. Fses FF 6329.66
CALLANDER
w Callander Emer. Growth $ 109.31
w Callander F-Asset $ 80.46
w Callander F-Austria AS 1333.62
w Callander F-Spanish Pta 7238.00
w Callander Swiss Growth SF 118.55
CAPITAL INTERNATIONAL
w Capital Int'l Fund $ 87.69
w Capital Italia SA $ 35.93
CCF - GAMMA
w CM Actibonds $ 38.07
w CM Global Growth $ 9.72
w Elysees Court Terme FF 64476.49
w Elysees Long Terme FF 57458.19
w Elysees Monetaire FF 67823.14
w EMF D-Mark (A & B) DM 955.42
w EMF Dutch Gul. (A & B) Fl 1042.97
w EMF Ecu (A & B) Ecu 1017.30
w EMF Sterlings (A & B) £ 522.22
w EMF US Dollar (A & B) $ 1077.57
w EMF Yen (A & B) Y 97010.00
d Europe Prest. Fond A Ecu 8.52
d Europe Prest. Fund B Ecu 10.01
w Europe Smlr Comp. Fd B Ecu 11.71
w Europe Smlr Cos. Fd A Ecu 11.71
CDC INTERNATIONAL
w CFI Court Terme FF 132834.10
w CFI Long Terme FF 1130082.86
CIC GROUP
d Oblicic Court Terme FF 12743.96
d Oblicic Monetaire FF 12907.89
CITICORP INVESTMENT BANK (Lux)
POB 1373 Luxembourg Tel. 477 95 71
d Citicurrencies Managed $ 135.43
d Citicurrencies US$ $ 1445.00
d Citiinvest Guardian $ $ 1087.40
d Citiinvest Guardian Euro Ecu 1092.16
d Citiinvest Mngd Growth $ 1197.92
d Citiinvest Mngd Grth Euro Ecu 1004.37
d Citiinvest Selector $ 847.96
d Citiport Asia Pacific Bond Y 11130.00
d Citiport Cont. Euro. Equity Ecu 115.93
d Citiport Eamec $ 95.87
d Citiport Euro Bond Ecu 118.86
d Citiport French Equity FF 962.79
d Citiport German DM 73.09
d Citiport IAPEC $ 115.06
d Citiport Japan Equity Y 5895.00
d Citiport N.A. $ Bond $ 124.72
d Citiport N.A. Equity $ 158.93
d Citiport Swiss SF 75.81
d Citiport UK Equity £ 94.54
CITITRUST
w Citifund $ 807.17040
w Citiperformance Ptfl S.A. $ 9.29332
w Global Bonds $ 11.08000
w Global Equities $ 7.24000
w Global Money Market $ 12.92000
w US $ Bonds $ 13.47911
w US $ Equities $ 196.51793
w US $ Money Market $ 13.85809
COMPASS INTL HOLDINGS Ltd.
POB 455, Jersey 0534 27267
w Bond : Dollar Med. Term $ 10.85
w Bond : Ecu Multicurr. Ecu 10.35
w Equity : United Kingdom £ 7.02
CREDIT AGRICOLE : MOSAIS
d Actions Bassin Pacifique $ 13.22
d Actions Europeennes Ecu 13.58
d Actions Francaises FF 95.79
d Actions Int'l Diversifiees FF 94.43
d Actions Japonaises Y 1928.56
d Actions Nord-Americaines $ 18.41
d Court Terme Ecu Ecu 16.28
d Court Terme FF FF 109.39
d Court Terme US$ $ 15.49
d Oblig Europeennes Ecu 16.02
d Oblig Francaises FF 108.54
d Oblig Haut Rendement $ 14.71
d Oblig Int'l Div Sensib Red FF 105.07
d Oblig Int'l Diversifiees FF 105.50
d Oblig Nord-Americaines $ 15.57
CREDIT SUISSE (Issue Prices)
d Actions Suisses SF 480.75
d Bond Valor £Sterling £ 83.12
d Bond Valor D-Mark DM 96.97
d Bond Valor Swf SF 98.59
d Bond Valor US-Dollar $ 132.59
d Bond Valor Yen Y 9427.00
d Canasec SF 444.00
d Convert Valor Swf SF 139.15
d Convert Valor US-Dollar $ 172.40
d CS Ecu Bond A Ecu 95.52
d CS Ecu Bond B Ecu 128.98
d CS Euro Blue Chips A DM 214.57
d CS Euro Blue Chips B DM 214.57
d CS Euro Finance Fd A DM 198.86
d CS Euro Finance Fd B DM 198.86
d CS Europa Bond A DM 254.30
d CS Europa Bond B DM 278.19
d CS Fixed I DM 8% 1/96 DM 99.94
d CS Fixed I Ecu 8 3/4% 1/96 Ecu 100.14
d CS Fixed I SF 7% 1/96 SF 100.19
d CS Gold Valor $ 117.20
d CS Gulden Bond A Fl 91.44
d CS Gulden Bond B Fl 114.34
d CS Hispano Iberia Fd A Pta 19771.00
d CS Hispano Iberia Fd B Pta 19771.00
d CS Money Market Fd £ £ 1807.50
d CS Money Market Fd $ $ 1578.36
d CS Money Market Fd C$ C$ 1054.34
d CS Money Market Fd DM DM 1360.74
d CS Money Market Fd Ecu Ecu 1046.89
d CS Money Market Fd Yen Y 126171.00
d CS Oeko-protec A DM 242.94
d CS Prime Bond A DM 91.86
d CS Prime Bond B DM 103.97
d CS Short-T. Bond $ A $ 98.22
d CS Short-T. Bond $ B $ 128.82
d CS Short-T. Bond DM A DM 93.55
d CS Short-T. Bond DM B DM 117.33
d CS Tiger Fund $ 544.98
d CSF Bonds SF 67.75
d CSF International SF 111.75
d Energie - Valor SF 129.50
d Europa - Valor SF 185.25
d Pacific - Valor SF 118.75
d Ussec SF 607.00
CSFB FUND MGMT Ltd (0481-713996)
PB722, St Peter Port, Guernsey
w Islamic Mgmt Fund Ltd $ 909.42 •
DIT INVESTMENT FFM
d Concentra + DM 41.02
d Int'l Rentenfond + DM 69.82
EBC TRUST CO. (Jersey) Ltd
1-3 Seale St. St Helier: 0534-36331
EBC AMRO TRADED CURRENCY FUND
d Capital $ 23.854
d Income $ 14.729
INTERNATIONAL INCOME FUND
w Long Term $ 32.5507 •
d Short Term A (Accum) $ 0.5066
d Short Term A (Distr) $ 0.3291
d Short Term B (Accum) $ 0.9750
d Short Term B (Distr) $ 0.6949
ELDERS INTL. MGMT SRVCS
see PRISM ASSET MANAGEMENT
ELDERS SWITZ (830) 25 17 25
w Elders Australian AS 85.25
w Elders Int'l SF 94.00
EQUIFLEX LIMITED
w Europe A Fl 8.77
w North America A Fl 8.86
w UK Small Companies £ 5.23
EURO PACIFIC ADVISERS Ltd
w Meteore Y 102533.00
w Pacific Horizon Invt. Fd $ 1739.30
FIDELITY INT'L INV. SERVICES (Lux)
d Balanced Ptfl Hedged $ 10.80
d Balanced Ptfl Unhedged $ 10.48
d Conv. Securities Ptfl $ 8.60
d Discovery Fund $ 14.82
d Dollars Savings Trust $ 183.82
d Far East Fund $ 61.25
d Fid. Amer. Assets $ 132.82
m Fid. Amer. Values III Com. $ 52.58
m Fid. Amer. Values IV $ 81.08
d Fid. Australia Fund $ 13.59
d Frontier Fund $ 21.78
d Global Ind Fund $ 12.80
d Global Selection Fund $ 11.95
d International Fund $ 13.60
d New Europe Fund $ 9.75
d Orient Fund $ 94.66
d Pacific Fund $ 291.16
d Special Growth Fund $ 29.99
d World Fund $ 61.51
FINAFUTURES FINLEY (1-809-322-5837)
w Portfolio (Est.) $ 1.14
FOKUS BANK A.S. 472 428 555
w Scanfonds Int'l Growth Fd $ 1.45
GAIA CURRENCY FUNDS
w Gaia Hedge I $ 119.08
w Gaia Hedge II $ 248.39
w Gaia Hedge III $ 68.41
GAM ANLAGEFONDS AG.
POB 164, 8034 Zurich Tel : 41-1-2516640
d GAM (CH) America SF 1269.00
d GAM (CH) Europe SF 74.00
d GAM (CH) Mondial SF 1135.00
d GAM (CH) Pacific SF 1497.00
GAM TRADITION ANGLEFONDS AG.
d GAM Tradition SF 795.00
GARTMORE FUND MANAGERS INT.
45, La Motte Street, Jersey 0534 27301
CAPITAL STRATEGY FD Ltd
d American $ 1.472
d Asia Pacific Fund $ 1.905
d Australasian Fund £ 0.2934
d British £ 2.220
d Canadian Fund C$ 0.7771
d Eastern European Fd DM 4.108
d Emerging Markets Fund £ 0.8780
d European Fund DM 4.694
d Global Resources Fund $ 0.7023
d International Growth $ 2.795
d Japan Fund Y 322.72
d Ecu Bond Fund Ecu 0.9828
d Global Conv. Bond Fd $ 16.78
d International Bond $ 1.399
d Sterling Bond £ 1.8518
d Austr. Dollar Deposit AS 1.119
d DM Deposit DM 5.388
d French Franc Deposit FF 10.82
d Sterling Deposit £ 1.021
d Swiss Franc Deposit SF 5.244
d US$ Deposit $ 1.064
d Yen Deposit Y 239.6
GARTMORE INDOSUEZ FUNDS 25/01/91
Tel : (352) 46 54 24 470
Fax : (352) 46 54 23
BOND PORTFOLIOS
d Deutsche Mark Bond DM 5.03
d Dollar Bond $ 2.01
d Global Bond $ 2.02
EQUITY PORTFOLIOS
d Europe Ecu 0.97
d International $ 2.04
d Japan Y 245.00
d Natural Resources $ 1.97
d North America $ 2.05
d Pacific $ 2.04
d Singapore Malaysia S$ 5.08
d Switzerland SF 2.46
GEFINOR FUNDS
London : 071-4994171, Geneva : 41-22255530
w East Investment Fund $ 788.94
w Scottish World Fund £ 161.4602
w State St. American $ 257.78
GENERALE BANK
(See also Interselex Group)
d Rentinvest £ 29.44
d Capital Rentinvest $ 150.45
d Rentinbel Distribution LF 9099.00
d Rentinbel Capitalization LF 11528.00
GENESEE FUND Ltd
w (B) Genesee Short $ 111.58
w (C) Genesee Opportunity $ 97.49
w (E) Genesee Balanced $ 109.12
GLOBAL ASSET MANAGEMENT
11 Athol St.Douglas.I.of Man 44-624-626037
w GAM America Inc. $ 202.48
w GAM Arbitrage Inc. $ 219.34
w GAM ASEAN Inc. $ 149.64 •
w GAM Australia Inc. $ 189.24 •
w GAM Bond Fd Inc £ £ 107.50
w GAM Bond Fd Inc. DM DM 88.60
w GAM Bond Fd Inc. SF SF 78.21
w GAM Bond Fd Inc. US Ord. $ 115.15
w GAM Bond Fd Inc. US Spe. $ 123.48
w GAM Bond Fd Inc. Yen Y 11400.80
w GAM Boston Inc. $ 259.57
w GAM Europa Fund $ 83.24
w GAM European Inc. $ 96.52 •
w GAM Franc-Val Inc. SF 151.73
w GAM France Inc. FF 1307.40
w GAM Global Fund $ 102.98 •
w GAM High Yield Inc. $ 77.26
w GAM Hong Kong Inc. $ 193.00 •
w GAM International Inc. $ 128.73 •
w GAM Japan Inc. $ 677.34 •
w GAM Mill-Mar Deferred Cl. $ 108.84
w GAM Mill-Mar Fd Inc Allocs $ 107.46
w GAM Mill-Mar Fd Inc Gen Eq. $ 104.15
d GAM Mill-Mar Fd Trading $ 113.86
w GAM Money Mkts Fd £ £ 161.10
w GAM Money Mkts Fd $ $ 108.57
w GAM Money Mkts Fd DM DM 108.57
w GAM Money Mkts Fd SF SF 180.58
w GAM Money Mkts Fd Yen Y 10088.00
w GAM North America Fund $ 104.47
w GAM Pacific Basin Fund $ 128.99 •
w GAM Pacific Inc. $ 503.31 •
w GAM Restr. Fund Inc. $ 121.95
w GAM Selection Inc. $ 345.38
w GAM Singap-Malay Inc. $ 211.85 •
w GAM Sterling Spec. Bd Fd £ 99.92
w GAM Swiss Fr Spec Bd Fd SF 78.67
w GAM Tyche S.A. Class A $ 194.08
w GAM U.S. Inc. $ 166.40
w GAM Univ. Accumulation $ 102.01
w GAM Univ. D-Mark Acc. DM 100.18
w GAM Univ. D-Mark Inc. DM 100.18
w GAM Univ. Income $ 102.01
w GAM Univ. Spain Inc SF 89.13
w GAM UT Inc. $ 282.12
w GAM Value Inc. $ 78.79
w GAM Whitethorn Fund Inc. $ 137.54
w GAM Worldwide Inc. $ 279.42 •
w GSAM Composite Inc. $ 225.32
GT MANAGEMENT PLC
d G.T. ASEAN Fund $ 41.64
d G.T. Asia Fund $ 14.62
d G.T. Australia Fund $ 22.21
w G.T. Berry Japan Fund $ 26.80
w G.T. Biotech/Health Fd $ 13.32
w G.T. Bond Fund $ 17.21
w G.T. Britain Fund £ 6.74
w G.T. Deutschland Fund $ 11.80
w G.T. Dollar Fund $ 18.40
w G.T. Emerging Mkts Fd $ 7.49
w G.T. Euro Small Co Fd $ 30.06
w G.T. Europe Fund $ 29.26
w G.T. Global Small Co Fd $ 14.57
w G.T. Global Techno. Fd $ 15.69
d G.T. Hong Kong Fund $ 28.13
d G.T. Honshu Pathfinder $ 18.11
d G.T. Investment Fund $ 13.36
w G.T. Japan OTC Stocks Fd $ 8.75
w G.T. Japan Small Co Fd $ 13.65
w G.T. Korea Fund $ 4.79
w G.T. Nat Res Fd Gold Cl $ 4.81
d G.T. Newly Ind Countr Fd $ 24.19
d G.T. Select Dollar Bd Ptfl $
d G.T. Select Gilt Ptfl £
d G.T. Select Int'l Bd Ptfl $
r G.T. Technology Fund $ 37.46
d G.T. UK Small Companies £ 7.13
w G.T. US Small Companies $ 12.90
GUINNESS FLIGHT FUND MANAGERS LTD
GUERNSEY
GUINNESS FLIGHT Glbl Strategy Fd Ltd
d Managed Currency Fd $ 35.57 •
d Global Bond Fd $ 29.80 •
d Global High Inc Bd Fd $ 21.65 •
d Gilt and £ Bd Fd £ 9.876 •
d Euro High Inc Bd Fd £ 20.07 •
d Global Equity Fd $ 41.59 •
d American Blue Chip Fd $ 28.85 •
d Japan and Pacific Fd $ 67.43 •
d UK Fund £ 17.77 •
d European Fund £ 87.76 •
GUINNESS FLIGHT Int'l Fd Ltd
d Deutschemark Money Fund DM 49.251
d Sterling Money Fund £ 21.670
d Swiss Franc Money Fund SF 52.838
d US Dollar Money Fund $ 24.378
d Yen Money Fund Y 6993.347
HILL SAMUEL GLOBAL PORTFOLIO
7A rue Pierre d'Aspelt Luxembourg 1142
d H.S. Glbl Ptfl £ Fix Int £ 10.13
d H.S. Glbl Ptfl Eur Fix Int. DM 9.33
d H.S. Glbl Ptfl Euro Eq. DM 7.78
d H.S. Glbl Ptfl Glbl Bond $ 10.23
d H.S. Glbl Ptfl Glbl Eq. $ 9.82
d H.S. Glbl Ptfl Glbl Mngd $ 9.27
d H.S. Glbl Ptfl Jap Eq Y 689.80
d H.S. Glbl Ptfl N. Amer Eq $ 8.85
d H.S. Glbl Ptfl Pac Bas Eq $ 9.25
d H.S. Glbl Ptfl UK Equity £ 8.42
d H.S. Glbl Ptfl UK Sm Co Eq £ 9.80
d H.S. Glbl Ptfl US Sm Co Eq $ 8.98
HILL SAMUEL INVEST. MGMT. INTL S.A.
Jersey, P.O. Box 63, Tel 0534 76029
Berne, P.O. Box 2622, Tel 4131 224051
d Crossbow (Far East) SF 11.55
d CSF (Balanced) SF 33.27
d European Equity Fund DM 15.50
d Int'l Bond Fund $ 13.33
d Int'l Currency US $ 27.98
d Int'l Currency US Mngd $ 29.11
d ITF Fd (Technology) $ 14.65
d O'seas Fd (N. America) $ 58.67
IAM, 2 Bd. Royal LUXEMBOURG
w IAM Bonds Fd-France A FF 625.07
w IAM Bonds Fd-Allem. B DM 229.65
w IAM Bonds Fd Japon C Y 10087.00
w IAM Bonds Fd Div. B FF 515.05
w IAM Europe 1992 Ecu 84.82
w IAM Europa 90/10 Ecu 101.09
w IAM Europe du Sud Ecu 80.80
w IAM Europe Global Ecu 77.17
w IAM Europe Luxe Ecu 79.89
d IAM Flagship Fund Ecu 85.44
INTERSELEX GROUP
d Int. America Fund $ 14.07
d Int. Belgo Fund BF 2385.00
d Int. Europa Sicav LF 5144.00
d Int. Pacific Fund $ 948.47
d Int. World Fund $ 87.25
INVESCO MIM INT'L, POB 271, Jersey
d Amer. Inc & Growth $ 1.263
d Asia Super Growth Fund $ 18.51
d Dollar Mngd Curr $ 14.82
d Dollar Mngd Ptfl $ 2.031
d Gold & Prec. Metals $ 0.789
d Gtd. N.W. 1994 $ 7.80
d Int. High Income £ 2.579
d Japan Dollar Perf. Fund $ 2.955
d Jersey Gilt £ 0.7793
d Nippon Warrant Fund $ 9.10
d Okasan Global Strat $ 15.76
d Pioneer Markets £ 2.126
d Sterling Mngd Curr £ 14.98
d Sterling Mngd Ptfl £ 1.418
d UK Growth £ 0.917
ITALFORTUNE INTL. FUNDS
w Class A (Aggr. Growth Ital.) $ 47.19
w Class B (Global Equity) $ 10.65
w Class C (Global Bond) $ 12.07
w Class D (Ecu Bond) Ecu 10.02
JARDINE FLEMING, GPO Box 11448 Hg Kg
d JF ASEAN Trust $ 19.76
d JF Far East Wrnt Tr. $ 7.23
d JF Glbl Conv. Tr. $ 11.77
d JF Hong Kong Trust $ 75.39
d JF Japan Sm. Co Tr. Y 51328.00
d JF Japan Trust Y 13699.00
d JF Malaysia Trust $ 8.66
d JF Pacific Inc. Tr. $ 75.79
d JF Thailand Trust $ 18.70
JULIUS BAER GROUP
d Baerbond SF 877.00
d Conbar SF 1551.00
d D-Mark Baer Bond Fund DM 981.80
d Dollar Baer Bond Fund $ 1158.00
d Emerging Europe Fund DM 81.52
d Equibaer America $ 1765.00
d Equibaer Europe SF 1350.00
d Europe Bond Fund Ecu 106.03
d Liquibaer SF 1971.00
d SFR - BAER SF 994.00
d Stockbar SF 1665.00
d Swissbar SF 1822.00
KIDDER, PEABODY & Co. Incorporated
b Chesapeake Fund Ltd. $ 1567.49
b Int'l Guaranteed Fund $ 1042.82
b Stonehenge Ltd $ 1261.44
KLEINWORT BENSON SELECT FUND
d British Fund Ecu 1.67
d Emerging Asia Fund Ecu 1.37
d European Fund Ecu 1.51
d International Fund Ecu 1.38
d Japanese Fund Ecu 1.33
d Kansallis World Fund FM 9.89
d North American Fund Ecu 1.51
d Pacific Fund Ecu 1.38
LIPPO ASIA LIMITED
w Java Fund $ 7.84
LLOYDS BANK PLC, POB 438, Geneva 11
Ms Dawn Mac Neill, 41 (22) 3073333 ext.3294
w Lloyds Int'l Dollar + $ 107.60
w Lloyds Int'l Europe + SF 155.90
w Lloyds Int'l Growth + SF 167.80
w Lloyds Int'l Income + SF 243.00
w Lloyds Int'l N. America + $ 158.60
w Lloyds Int'l Pacific + SF 133.10
MAGNUM FUTURES FUND Ltd
m Deutschemark Class DM 19.92
m Sterling Class £ 5.27
m US Dollar Class $ 9.80
MALABAR CAP MGMT (Bermuda) Ltd
m Malabar Int'l Fund $ 9.15
MAN INTERNATIONAL FUTURES
m Alabaf Mint Gtd. Fund Ltd $ 104.64
m Athena $ 10.19
m Fbme Mint Gtd Plc $ 120.60
m Mint Gtd Ltd - Aug 1995 $ 12.74
m Mint Gtd Ltd - Dec 1994 $ 15.59
m Mint Gtd Ltd - Jan 1994 $ 17.75
m Mint Gtd Ltd - Nov 1993 $ 21.90
m Mint Gtd Ltd - Series A $ 24.49
m Mint Gtd Ltd - Spec Issue $ 22.67
m Mint Limited - Income $ 15.19
m Mint Limited - Ordinary $ 45.85
m Mint Sp Res Ltd (BNP) $ 112.21
m Newcastle Guaranteed Ltd. $ 12.10
MERRILL LYNCH
d Dollar Assets Portfolio $ 1.00
d Iberia Portfolio $ 9.47
d Multi-Curr. Bond Ptfl Cl A $ 17.28
d US Federal Securities $ 9.85
d USA Income Portfolio $ 9.45
d World Nat Res Ptfl Sh A $ 10.43
d World Nat Res Ptfl Sh B $ 10.31
MERRILL LYNCH MLT NAT'L INV PFL
GLOBAL CURRENCY BOND SERIES
d Australian Dollar Ptfl
d Category A $ 12.89
d Canadian Dollar Ptfl
d Category A C$ 10.83
d Category B C$ 10.81
d Deutsche Mark Ptfl
d Category A DM 10.16
d Category B DM 10.14
d Pound Sterling Ptfl
d Category A £ 11.36
d Category B £ 11.34
d US Dollar Ptfl
d Category A $ 11.63
d Category B $ 11.61
d Yen Portfolio
d Category A Y 1036.00
d Category B Y 1034.00
MERRILL LYNCH MLT NAT'L INV PFL-EQ
BASIC VALUE PORTFOLIO
d Class A $ 8.85
d Class B $ 8.77
CONVERTIBLE SECURITIES PTFL.
d Class A $ 9.90
d Class B $ 9.85
CONVERTIBLE SERIES
d Euro Equity Ptfl Cl A $ 9.31
d Euro Equity Ptfl Cl B $ 9.27
GLOBAL EQUITY PORTFOLIO
d Class A $ 8.59
d Class B $ 8.59
NIMARBEN
w Class A $ 181.53
NMB BANK, PO 1800, 1000 BV Amsterdam
w NMB Dutch Fund Fl 35.30
d NMB Euromix Fund LF 2.175
d NMB Real Estate Fund Fl 38.30
w The Brazil Fund $ 0.85
NOMURA INTL. (HONG KONG) Ltd
d Nomura Jakarta Fund $ 6.18
NOMURA INVEST BANKING (M.E.) E.C.
d Nomura Gulf Fund $ 8.16
OBLIFLEX LIMITED
w Convertibles $ 10.70
w Deutsche Mark DM 13.06
w Dollar Long Term $ 15.58
w Dollar Medium Term $ 18.72
w Dutch Florin Fl 13.21
w Dutch Florin Multi Fl 10.90
w European Currency Ecu 15.35
w French Franc FF 107.90
w HY Euro Curr Divid Pay Ecu 9.86
w HY Euro Currencies Ecu 10.82
w Japanese Yen $ 27.14
w Multicurrency $ 24.72
w Pound Sterling £ 17.78
w Swiss Franc SF 10.51
w Swiss Franc Divid Pay SF 10.12
w Swiss Multi-Dividend SF 8.53
w Swiss Multicurrency SF 11.93
w US Dollar Short Term $ 10.80
OLYMPIA Capital Intl. BVI
c/o OCM, 17 Av. George V, 75008 PARIS
Tel. 33-1-47230374
w Finsbury Group $ 112.63
w Olympia Securit $ 103.07
w Winch. Capital $ 101.56
w Winch. Frontier $ 191.20
m Winch. Fut. Divers $ 16.20 •
m Winch. Fut. Orion $ 17.71 •
w Winch. Hldg Int'l Madison Ecu 1044.17
w Winch. Hldg Int'l Ser D Ecu 1227.46
w Winch. Hldg Int'l Ser F Ecu 1223.81
w Winch. Hldg US$ $ 16.36
w Winch. Reser. Multi. Gvbd $ 13.69
PARIBAS-GROUP
d Cortexa International $ 99.97
d Europar SF 513.57
d Europhenix Ecu 163.76
d Luxor $ 8.53
d Moneyflow LF 10068.00
d Obliestion SF 83.80
d Par US Treas. Bond Cl B $ 150.96
d Pargest $ 882.12
d Paribas-Rente A LF 1211.00
d Paribas-Rente B LF 1399.00
d Parinter Bond Fund $ 12.35
d Parinter Fund $ 206.33
d Parjapan Y 2698.00
d Parsuisse SF 1178.46
w Parvest Obli-DM A DM 1210.74
w Parvest Obli-DM B DM 1257.27
w Parvest Obli-Dollar A $ 1193.50
w Parvest Obli-Dollar B $ 1399.13
d Parvest Obli-Franc A $ 1405.29
d Parvest Obli-Franc B $ 1485.29
w Parvest Obli-Gulden A Fl 993.94
w Parvest Obli-Gulden B Fl 1139.64
w Parvest Obli-Sterling £ 113.00
w Parvest Obli-Yen A Y 111262.00
w Parvest Obli-Yen B Y 121417.00
PERMAL GROUP
b Drakkar Growth $ 1788.00
b EuroMir (Ecu) Ltd Ecu 812.50
b Media Ltd $ 718.57
b Noscal Ltd $ 1589.53
w Uodyke Ltd $ 287.71
b Value N.V. $ 1738.17
PIERSON, HELDRING & PIERSON N.V.
Rokin 55, 1012kk, Amsterdam (20-5211188)
w Asia Pac. Growth Fd N.V. $ 27.65
w Asian Selection Fd N.V. Fl 40.07
w DP Amer. Growth Fd N.V. $ 25.32
w Eur. Growth Fund N.V. Fl 51.36
w Japan Diversified Fund $ 41.01
w Leveraged Cap Hold $ 247.82
w Tokyo Pac. Hold. N.V. $ 211.88
PRISM ASSET MANAGEMENT
(212) 332-1082 advisor to :
d Conqueror $ 89.71
d Prism Fut. Fd (EFF) $ 284.41
d PTJ $ 116.27
d Rainbow $ 121.71
PUTNAM
d Emerging Hlth Sc. Trust $ 20.48
w Putnam Em. Info. Sc. Trust $ 15.82
d Putnam Glob. High Growth $ 11.88
d Putnam High Inc. GNMA Fd $ 9.38
d Putnam Int'l Fund $ 11.30
ROBECO GROUP
POB 973, Rotterdam (10-4650711)
d Robeco Fl 84.50
d Rolamco Fl 53.50
d Rolinco Fl 80.30
d Rorento Fl 61.30
ROTHSCHILD AST. MGT.
w Tokyo Pacific Hldgs (Sea) $ 153.97
ROYAL B. CANADA, POB 246, GUERNSEY
w RBC British Fund Ltd + £ 4.545
w RBC Canadian Fd Ltd + C$ 12.46
w RBC European Fund + £ 11.46 •
w RBC Far East & Pac. Fd + $ 26.38
w RBC Int'l Bond Fund Ltd + $ 13.87
w RBC Int'l Capital Fund + $ 48.61
w RBC Mngd Currency Fd + $ 41.90
w RBC North America Fd + $ 73.30
SAFRA REPUBLIC HOLDING
w Republic (Gnsey) $ Inc Fd $ 9.78
w Republic Gam Fund $ 101.81
SKANDIFOND
SKANDINAVISKA ENSKILDA BANKEN
w Equity Int'l Acc. $ 12.67
w Equity Int'l Inc. $ 18.93
w Equity Global $ 1.12
w Equity Far East $ 1.78
w Equity Gold $ 0.46
w Equity Japan Y 103.00
w Equity Nordic $ 1.30
w Equity U.K. £ 1.07
w Equity Continental Europe $ 1.26
w Equity Mediterranean $ 0.98
w Equity North America $ 1.38
w Bond Int'l Acc. $ 9.55
w Bond Int'l Inc. $ 6.83
w High Income Acc. $ 1.34
w High Income Inc. $ 1.05
w Bond Sweden SKr 11.47
w Bond DEM DM 0.95
w Bond Dollar $ 1.09
w Multicurrency $ 1.37
SOCIETE GENERALE GROUP
SOGELUX FUND (SF)
w SF Bonds A U.S.A. $ 12.81
w SF Bonds B Germany DM 23.51
w SF Bonds C France FF 93.25
w SF Bonds D Switz. SF 20.70
w SF Bonds E G.B. £ 9.36
w SF Bonds F Japan Y 1657.00
w SF Bonds G Europe Ecu 12.95
w SF Bonds H World Wide $ 13.69
w SF Bonds J Belgium BF 611.00
w SF Eq. K North America $ 12.52
w SF Eq. L W. Europe Ecu 11.16
w SF Eq. M Pacific Basin Y 1319.00
w SF Eq. N France FF 79.00
w SF Eq. P Growth Countries $ 11.40
w SF Eq. Q Gold Mines $ 9.49
w SF Eq. R World Wide $ 11.72
w SF Short Term S France FF 127.46
w SF Short Term T Eur. Ecu 12.48
SOGELUX INDEX FUND (SIF)
w S.I.F. France Capital FF 859.02
w S.I.F. France Distrib. FF 859.02
w S.I.F. GB Capital £ 95.10
w S.I.F. GB Distrib. £ 95.10
w S.I.F. Japan Capital Y 12721.00
w S.I.F. Japan Distrib Y 12721.00
w S.I.F. US Capital $ 151.39
w S.I.F. US Distrib. $ 151.36
w S.I.F. World Capital $ 128.55
w S.I.F. World Distrib. $ 128.55
SODITIC ASSET MANAGEMENT INC.
w SAM Diversified Inc. $ 109.64
w SAM Strategy Inc. $ 100.82
SVENSKA HANDELSBANKEN S.A.
146 Bd de la Petrusse, L-2330 Luxembourg
w Neptune Maritime Fund $ 7.48
b SHB Bond Fund $ 48.25
w Svenska Sel. Fd Amer Sh. $ 11.33
w Svenska Sel. Fd Germany DM 8.15
d Svenska Sel. Fd Int'l Bd Sh. $ 11.86
w Svenska Sel. Fd Int'l Sh. $ 46.82
w Svenska Sel. Fd Japan Y 512.66
d Svenska Sel. Fd Nordic Sh. $ 9.88
d Svenska Sel. Fd Pacif Sh. $ 4.84
d Svenska Sel. Fd S/T Ass Sh. $ 10.92
SWISS BANK CORP. (Issue Prices)
d America Valor $ 274.79
d Anglo Valor £ 168.64
d Asia Portfolio SF 412.94
d Convert Bond Selection SF 84.78
d D-Mark Bond Selection DM 108.59
d Dollar Bond Selection $ 140.93
d Ecu Bond Selection Ecu 102.53
d Florin Bond Selection Fl 114.30
d Franco Valor FF 1467.30
d Germania Valor DM 410.15
d Gold Portfolio SF 248.40
d Iberia Valor Pta 41288.00
d Ital Valor LR 346465.00
d Japan Portfolio Y 27283.00
d SBC £ MMF £ 2175.04
d SBC 100 Index Fund SF 895.00
d SBC DM Short A/B DM 1037.42
d SBC Ecu MMF Ecu 2863.81
d SBC Euro Stock Ecu 136.08
d SBC Sfr Bond A SF 1029.24
d SBC Sfr Bond B SF 1070.84
d SBC US$ MMF $ 4379.83
d SBC Yen MMF Y 522411.00
d Sterling Bond Selection £ 111.07
d Sw. Foreign Bond Selection SF 101.65
d Swissvalor SF 312.80
d Universal Bond Selection SF 68.25
d Universal Fund SF 88.76
d Yen Bond Selection Y 11174.00
T. ROWE PRICE ASSOCIATES INC.
m T. Rowe Price Frontier Ltd. $ 11.43
TEMPLETON W.WIDE INVESTMENTS
GROWTH PORTFOLIO
d Class A-1 $ 8.65
d Class A-2 $ 9.49
d Class A-3 $ 8.84
d Class B-1 $ 8.52
d Class B-2 $ 9.27
INCOME PORTFOLIO
d Class A $ 11.02
d Class B $ 10.98
TERMINVEST Tel : 46.78.93.89
m Dual Futures Fd Cl D Units $ 106.08
m Galaxy Futures Fund Ltd $ 113.81
THORNTON MANAGEMENT Ltd
d Eastern Crusader Fund $ 8.20
w Global Access Fund $ 9.60
d Pacif Invt Fd SA £ £ 7.84
d Pacif Invt Fd SA DM DM 22.80
d Pacif Invt Wrnt Fd SA £ £ 2.86
d Pacif Invt Wrnt Fd SA DM DM 8.33
d Thor. Ltd Dragons Fd Ltd $ 18.49
d Thornton HK & China $ 14.15
d Thornton Int'l Opp. Fd $ 1.59
d Thornton Japan Fund Ltd $ 24.63
d Thornton Orient Inc Fd Ltd $ 20.16
w Thornton Phil. Redev. Fd $ 17.78
d Thornton Tiger Fd Ltd $ 26.720
NEW TIGER SEL. FUND
d Indonesia $ 7.07
d Malaysia $ 8.23
d Thailand $ 7.96
TYNDALL GLOBAL FUND
13, rue Goethe L-1637 Luxembourg
Tel: 352-40 46.46.81
d British Lion p 180
d European p 180
d High Yield p 119
d International p 105
d Japan p 96
d Tiger p 104
d Wall Street p 112
TYNDALL INT'L GUERNSEY Ltd
Tel : 0481 27963
d 1992 £ 230.10
d American Spec. Sits $ 42.38
d Eurobond $ 32.86
d Far Eastern $ 430.70
d Gilt £ 364.80
d High Inc. Gilt & Bulldog £ 104.70
d High Yield Bond £ 62.40
d Marusuchi $ 80.91
d Mngd Currency Dollar $ 1.045
d Mngd Currency Sterling £ 116.40
d Mortgage C$ 14.57
d Overseas $ 24.01
d Tiger $ 34.11
d Wall Street $ 208.10
UEBERSEEBANK Zurich
d B - Fund SF 943.35
d E - Fund SF 479.08
d J - Fund SF 315.36
d M - Distribution SF 71.32
d M - Fund SF 960.28
d UBZ Euro-Income Fund SF 9.37
UNION BANK OF SWITZERLAND
d Amca American Shares SF 33.25
d Bond-Invest SF 58.09
d Brit-Invest Shares SF 631.00
d D-Mark-Invest Bonds DM 172.40
d Dollar-Invest Bonds $ 110.90
d ESPAC Spanish Shares SF 155.00
d Eurit SF 274.50
d Fonsa Swiss Shares SF 149.00
d Francit Shares SF 172.00
d Germac Shares SF 195.00
d Globinvest Shares SF 86.50
d Gold Invest Shares SF 142.00
d Holland-Invest Shares SF 200.00
d Itac Shares SF 153.00
d Japan-Invest Shares SF 1079.00
d Sima (stock price) SF 226.00
d Skandinavien-Invest SF 188.00
d UBS Money Mkt Invest $ 1018.50
d Yen-Invest Bonds Y 88061.00
UNION INVESTMENT Frankfurt
d Unifonds DM 29.70
d Unirak DM 70.55
d Unirenta DM 34.40
d Unizins DM 103.75
UNIVERSAL GROUP OF FUNDS
d Univers Sav Amer C$ 8.14
d Univers Sav Equity C$ 9.45
d Univers Sav Global C$ 4.93
d Univers Sav Nat. Res C$ 4.33
d Univers Sav Pacific C$ 7.84
US FEDERAL SECURITIES FUND
d Category A $
Other Funds
r Actifrance $ 511.27
d Actifinance Int'l $ 1070.76
w Actifutures Ltd $ 1284.58
w Actigestion FF 1298.38
w Activest Int'l $ 23.70
d Amvabel Fl 40.10
w Aquila International Fund $ 234.89
b Ariane $ 4067.83
d Asia Oceania Fund $ 8.28
m Associated Investors Inc. $ 727.09
m Atlantic Fund $ 67.31
d Atlas Fund SF 59.21
r Australia Fund $ 15.54
w Balfour Maclaine Series I $ 989.2900
w BDD Inv Fund-Ecu Bd Ecu 5417.35
w BEM International $ 8.11
w Bergen Int'l Fund $ 11.30
w Bondselex-Issue Pr. SF 103.95
m Cal Futures 1990 Fd Ltd $ 27.82
d CB German Index Fund DM 105.77
w CFE Future Fd N.V. $ 92.86
m Cleveland Offshore Fd $ 19.97
w CMI Investment Fund $ 1385.00
w Columbia Securities Fl 93.32
w Convert. Fd. Int'l A Certs $ 15.89
w Convert. Fd. Int'l B Certs $ 33.27
w Cumber Int'l N.V. $ 122.04
w D. Witter Wld Wide Ivt Tst $ 24.25
w D.G.C. £ 199.03
w Daiwa Japan Fund Y 6361.00
w Diss Income Fund FR 37.35
d Dreyfus America Fund $ 17.25
w Dumelux Amerique $ 1625.21
w Dumelux Asie Pacifique $ 1025.23
w Dumelux Bonds Plus $ 1164.89
w Dumelux Europe Ecu 1836.16
w Dumelux France FF 4214.78
w Dumelux Opportunit $ 1025.23
m Dwmeril Arbitrage Fd NV $ 638.08
d Emi Belg. Ind. Plus (A) BF 7273.00
d Emi Belg. Ind. Plus (B) BF 7273.00
d Emi France Ind. Plus (A) FF 726.73
d Emi France Ind. Plus (B) FF 726.75
d Emi Germ. Ind. Plus (A) DM 74.84
d Emi Germ. Ind. Plus (B) DM 74.84
d Emi UK Index Plus (A) £ 84.41
d Emi UK Index Plus (B) £ 84.41
w Esair. Sto Inv M Sth Eur Fd $ 9.77
w Esprit Sicav Ecu 1036.89
d Eurosud FF 914.11
d Europe 1992 $ 9.75
d Europe Obligations Ecu 77.84
w F.I.T. Fund FF FF 117.42
w F.M.P. Portfolio $ 8.4977
w Fairfield Int'l Ltd. $ 147.05
w Fairfield Sentry Ltd. $ 286.95
w Fairfield Strat. Ltd. $ 59.88
m Fatum Fund $ 786.59
w First Eagle Fund $ 33881.89
m First Frontier Funds $ 87.36
w FL Trust Switzerland SF 79.42
d Fonditalia $ 78.36
w Fonselex Issue Pr. SF 142.28
d Force Cash DM Sicav DM 5144.77
d Force Cash Ecu Sicav Ecu 2418.95
d Force Cash FF Sicav FF 15638.55
d Force Cash US$ Sicav $ 3086.40
d Forexfund Limited $ 9.52
w Formula Selection Fd SF 58.75
d Frankf.-Trust Effekten Fd DM 138.22
d Frankf.-Trust Interzins DM 38.50
m Gems Progressive Fd Ltd $ 1115.35
w George V Inv. Bond F. £ 24.11
d German Sel. Associates DM 1598.01
d Green Line France FF 349.89
w Hasenbichler Com AG $ 1388.00
w Hausmann Hldgs. N.V. $ 315.95
w Hestia T.F. SF 10540.00
w Hestia Funds $ 134.91
w Horizon Fund $ 2892.22
w Ibex Holdings Ltd. SF 154.39
w IFDC Japan Fund Y 28074.00
r ILA-IGB $ 1.53
r ILA-IGS $ 9.94
m IncAmerica N.V. $ 16.61
m IncAsia N.V. $ 9.46
r Int'l Securities Fund $ 20.18
m Interface Fund Ltd $ 150.55
d Interfund SA $ 44.52
w Intermarket Fund $ 466.10
w Intersec SA $ 3464.25
d Investa DWS DM 62.98
d Investmenter Fund $ 103.98
m J Capel Guaranteed Fund $ 10.88
w Japan Pacific Fund $ 791.36
w Japan Res. Growth F. Y 827532.00
m Japan Selection Assets Y 9530.00
w Japan Selection Fund $ 222.16
d JJ Placement FF 12408.00
w JWH Worldwide Fund $ 8.88
d Kenmar Guaranteed $ 9.82
w Kenmar Int'l - B $ 11360.00
d Kenmar-L/C $ 9.37
m Key Hedge Fund Inc. $ 106.43
w Kleinwort Bens. Jap. Fd $ 188.05
d KML-II H. Yield $ 485.33
w Korea Growth Trust $ 38.97
w LACO International $ 5.56
w Leumi Vol. Francaises FF 896.51
m London Portfolio G'td. I $ 87.38
m London Portfolio G'td. II $ 8.22
w Luxfund $ 100.61
m Lynx Sel. Holdings SF 110.74
m Maritime Fund Int'l Ltd. $ 1013.45
w Mat Growth ESCF DM DM 12.59
w Mat Growth USCF $ $ 9.32
w MBE Japan Fund LF 102350.00
m MCM Int. Limited $ 1418.00
d Mediolanum Sel. Fd $ 38.89
w ML Morgens Lv HY Inv NV $ 8.61
w Moore Global Invts. Ltd. $ 2015.81
d NCA Fund $ 10.22
w Nippon Fund $ 189.03
w NM Inc. & Growth Fund $ 17.98
m NMT Asian Sel. Portfolio $ 773.38
m NMT Citadel Bond SF 113.26
m NMT Nastec Portfolio $ 115.95
d Nomura-Cap Int'l Eq Fd. $ 12.71
d Nordmix LF 10250.00
m Nova Plus Fund I Ltd $ 1058.00
w Noveurope Ecu 3402.77
m NSF F.I.T. Ltd $ 10.07
m Oppenheimer U.S. Arb. $ 123.67
w Optimum Fund $ 1177.94
m Overlook Performance $ 1443.95
d Pacific Nles Fund $ 6.31
w PAM Futures Trad. $ 419.70
w Pancurri Inc. $ 1697.18
m Paragon Fund Limited $ 105.27
w Plurivest International FF 110.54
d Precision Fd Ltd $ 88.41
w Prosp. LH. Inc. F.F. $ 2.31
w Puget-Mahe Barclays Fac. $ 139.74
w Quantum Fund N.V. $ 17231.86
d SAGA Amerique FF 689.34
d SAGA Court Terme FF 1206.81
d SAGA France Sicav FF 477.67
d SAGA Long T. Capital FF 1187.15
d SAGA Opportunites FF 657.80
d SAGA Pacifique FF 1040.26
d SAGA Premiere FF 1187.57
w Samurai Portfolio SF 227.80
d Sanyo Kie. Spain Fd $ 10.80
d Sarakreek Holding n.v. $ 16.80
d Saturn Fund $ 1180.32
d SCI / Tech. SA Luxembourg $ 21.09
m Scimitar Guar. Curr Fd $ 8.41
m Scimitar Guaranteed $ 8.38
m Securefund 2000 Ltd $ 5.88
m SLH Guar. F.F.I. $ 1059.79
w SP International SA $ 6257.45
d Strat. Int'l Gold Fund SA $ 4.98
w Techno Growth Fund SF 46.52
d Templeton Glob Inc. $ 9.89
d The Petrus Fund Ltd $ 1.85
m THC (DTC) Jap. Fd Sicav $ 11.27
w Transpacific Fund Y 34452.00
d Triton Offshore Class A $ 637.21
d Triton Offshore Class B $ 681.21
d Tudor B.V.I. Futures LTD $ 8008.87
d Turquoise Fund $ 228.32
w Tweedy Browne (UK) n.v. $ 1236.00
w Tweedy Browne n.v. Cl A $ 1358.82
w Tweedy Browne n.v. Cl B $ 1527.75
d Uni Bond Fund Ecu 1636.54
r Uni Capital Fund Ecu 1165.29
d Unica Equity Fund DM 54.03
d Unico Inv. Fund DM 67.17
m Unifrad $US $ 1075.97
m Unifrad FF FF 11075.86
m Unifrad SF SF 1071.47
d Univers Bonds DM 126.69
w Vanderbilt Assets $ 13.83
m Victor Futures Fund $ 225.88
d Victoria Holdings Limited $ 108.08
w Wilder Asian Fund $ 10.19
w Willerbond Capital $ 14.40
d World Balanced Fund S.A. $ 12.15
w Worldwide Securities $ 35.21
w Worldwide Special $ 784.02
m Zweig Int'l Ltd. $ 18173.89

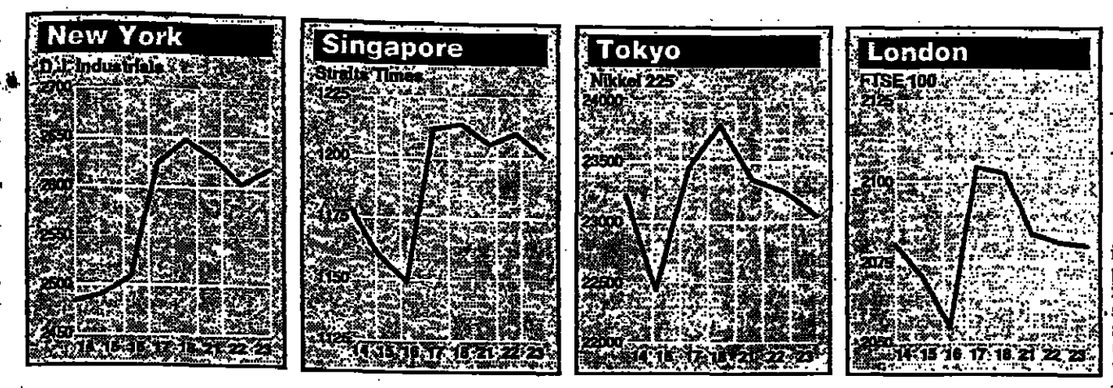
AS - Australian Dollars; AS - Austrian Schillings; BF - Belgian Francs; C$ - Canadian Dollars; DM - Deutsche Mark; ECU - European Currency Unit; FF - French Francs; FL - Dutch Florin; Lit - Italian Lire; LF - Luxembourg Francs; p - pence; Pta - Pesetas; SGS - Singapore Dollars; SF - Swiss Francs; Y - Yen; a - asked; + - Offer Prices; N.A. - Not Available; N.C. - Not Communicated; o - New; S - suspended; S/S - Stock Split; * - Ex-Dividend; ** - Ex-Rts; - Offer Price incl. 3% prelim. charge; ++ - Paris exchange; +++ - Amsterdam exchange; e - misquoted earlier; x - not registered with regulatory authority

For information on how to have your fund listed, fax Simon OSBORN on (33-1) 46 37 52 12.

هكذا من الاصل

مكتوفا من الأصل

THE MONEY REPORT



Winners and Losers as Oil Swings

THE wild ride in the world's oil and stock markets is by no means over. With OPEC countries now pumping 23 million barrels of oil a day, compared to 22.5 million the day before the Aug. 2 invasion of Kuwait, and with world demand falling, some experts are calling a further fall in the oil price to below $15 a barrel.

The torching of Kuwait oil fields is already discounted in a brief oil rally, but if Saudi Arabia's fields are successfully attacked and Russia's production problems intensify, analysts are predicting mayhem in the markets.

So how have investors round the world done in these turbulent times? Just who are the winners and losers of the most difficult period for many markets since the crash of 1987?

● **The United States** — No-one was willing to name names this week, but it was inevitable that the collapse in oil prices precipitated by the Gulf war produced some big winners and losers.

Market observers say that big players like oil companies and sophisticated trading groups have profited. Philip Gotthelf, editor of Commodity Futures Forecast, a newsletter that advises institutional investors on commodities hedging, notes that in particular, "wet barrel gatherers" — industry jargon for groups that hold actual oil in tanks and barrels — came out way ahead. For instance, they might have sold futures at $40 when the market spiked up briefly against reserves purchased at $30 a barrel, or covered short positions when it plunged.

Vahan Zanoyan, a senior director of the Washington-based Petroleum Finance Company, agrees that large traders "managed very well. Besides, the market was so volatile that they had a good chance to correct their mistakes on either side."

On the losing side were individual speculators who were unable to turn on a dime when the price of an oil contract on the New York Mercantile Exchange plunged $10.56 a barrel to $21.44, the biggest one-day drop in the history of oil futures trading. It could have been worse, had not many small players been forced out of the market when the exchange boosted the minimum required payment for a contract to $10,000 from $2,500 last July.

The other big losers were the commodity mutual funds, especially those that follow computer models. With their numbers technically bullish on oil, many held futures contracts to take advantage of a prices rise. When the market plummeted, they were forced to ante up the difference between what they paid for the contract and where it landed. "Their indicators were 180 degress to how the market reacted," says Mr Gotthelf. "It was a bloodbath." Ultimately, the funds' investors will suffer.

Mr. Gottlhelf sums up the week thus: "The people who made a killing are worrying about how to keep it. The losers got obliterated."

Judith Rehak

● **Asia** — On Jan. 16, the day before the war began, a lawyer in Sydney who makes a habit of buying undervalued stocks when few others dare, picked up 25,000 shares in Rupert Murdoch's News Corporation Ltd. at 3.30 Australian dollars (2.57 U.S. dollars) a share.

Shares in the group had fallen by nearly one Australian dollar in the previous 48-hours following a journalists' strike at several News Corp papers in Australia and rumors of problems in negotiations in London with lenders to restructure 8 billion U.S. dollars in group debt.

"I figured the strike would end quickly and the banks would come to the party, but when I woke up on Jan. 17 and heard that war had erupted in the gulf I thought I was in real trouble," the lawyer said.

Instead, Australian stocks surged as investors scented a swift victory for the U.S.-led coalition against Iraq. News Corp. climbed 23 percent to 4.06 at the close of trade.

The lawyer sold at 4.00 for a profit of around 24,000 Australian dollars after brokerage.

Meanwhile, an oil trader in Singapore followed virtually all other companies, big and small, into the market in the expectation that a Gulf war would drive oil prices substantially higher.

The day before fighting started, he bought 100,000 barrels of Brent crude in the forward market at 28.70 U.S. dollars for March delivery.

In the space of a few hours after the war began, the price jumped to $33. However, he did not sell and take the profit because, like most traders, he thought the price was going higher.

Instead, when he arrived in the office on Jan. 18, Brent was trading at around $23. By the time he found a buyer, the price had dropped to $21.20. The deal cost his company $750,000.

Michael Richardson

● **Japan** — As in the old British parlor game, the question in the Tokyo markets since the allied attack on Iraq began on Jan. 17 has been, "Where were you when the lights came on?" There have been winners and losers, of course, and it is impossible as yet to determine which group is in the majority.

One British portfolio manager in Tokyo put it succinctly the other day. Returning from London earlier this week on a British Airways *flight that was only a third full* — a rarity on what is normally a busy route — he recalls thinking, "Thank goodness I'm short in Nippon Airways and JAL."

That position will stand him in good stead. There has been no bloodbath in travel- and leisure-related stocks here yet, but they are expected to follow the pattern set elsewhere.

In Tokyo, dealers report that more than a few speculators here are smarting visibly from having shorted oil contracts prior to the air invasion of Iraq on the expectation of a spike in crude prices up to the $40 to $60 range.

Arabian Oil, Japanese-owned and Tokyo-listed — and the largest oil producer in Japan — has fallen 15 percent in value since Jan. 17. One of its prime assets is a large oil field it developed in the 1970's along the Saudi-Kuwaiti border. Almost all of the field's production is normally exported to Japan; at the moment, of course, none is.

Among Japanese defense stocks, there has been no discernible pattern, chiefly because the defense sector is made up mostly of companies for which military-related production makes up no more than 15 percent or so of overall activity.

But there is one exception. Japan Radio has bounced up 7 percent in value on the Tokyo exchange this week. The company's distinction: it manufactures radar systems incorporated into the U.S.-developed Patriot missiles that are currently playing a starring role in the skies above Iraq.

Patrick L. Smith

● **The United Kingdom** — The outbreak of hostilities in the Gulf produced plenty of winners and losers on U.K. markets, but no outstanding examples of individuals who gambled against the prvailing wisdom and won or lost fortunes.

"I'm sure there's a dentist somewhere who's made a killing, but the Gulf war just hasn't produced the kinds of stories usually associated with this kind of event," said one investment adviser.

The analysts and traders explained that with previous dramatic events, like the 1987 stock market crash, the event itself was the focus of the gamble. The few farsighted individuals who predicted the crash, for example, got out just before the event, when the market was high.

"The remarkable thing is that we had so long to reflect on what was going to happen, and no-one, no-one — predicted the perverse reaction of the first day," pointed out *Robert Buckland, equities strategist* with County NatWest Woodmac.

In the first 24 hours after the shooting started in the Gulf, the price of North Sea Brent fell by 53 percent, confounding the predictions of analysts and traders. Equities, gold and other markets reacted in an equally perverse way, doing exactly the opposite of what was expected.

"It is the most amazing example of collective bad judgment I can remember," said Peter Gignoux, a director and oil trader at Lehman Brothers International in London.

"I have heard of no-one who has hit a home run and no-one who has gone belly up," he added.

"Investors, institutions and individuals, are perplexed by what's happened, and that's reinforced their belief that it's better to do nothing," said Peter Fellner of National Westminster Capital Markets. Instead, cash holdings are accumulating.

Gold, usually the safe-haven investment in times of crisis, has also underperformed compared to expectations. After initially rising about $20 to $403 in the early hours of the Gulf conflict, it has settled back to its previous price level.

After the Soviet invasion of Afghanistan in 1979, the price of gold nearly doubled to about $850, pointed out Albert Loveless of Smith New Court. "This time, speculators and people who might buy gold because they were directly threatened by the war were already fully invested in gold," he said.

In the run-up to the Gulf war, a number of oil-related contracts have been snapped up by sophisticated investors. With the price of oil sharply down, some of these instruments are big potential losers.

One oil warrant launched by Goldman Sachs in London is currently trading at $3.90, as opposed to a launch price of $6.50. The price of oil would have to gain about $6 on the spot market and $3 on the forward market for the break-even point to be reached.

Leigh Bruce

World Market Performances Over the Week

Top Ten Stock Markets		Industry Indexes Performance		Top Ten Stocks	
Sweden	4.2 %	Germany	0.8 %	Energy Sources	0.8 %	US Data General	88.8 %
Switzerland	4.0 %	New Zealand	0.8 %	Textiles & Apparel	0.7 %	AU Bell Group	83.6 %
Australia	2.8 %			Machinery & Engineering	0.7 %	JP Daishowa Paper	75.0 %
Finland	2.7 %	Forest Products & Paper	7.7 %	Industrial Components	0.6 %	US Data Manufacturing	35.3 %
United Kingdom	2.3 %	Energy Equipment & Services	5.0 %	Food & Household Products	0.6 %	US Ampacinet	34.5 %
USA	2.1 %	Banking	4.9 %	Appliances & Household Durables	0.6 %	FI Enso-Gutzeit a Free	24.4 %
Hong Kong	2.1 %	Data Processing & Reproduction	4.7 %	Building Materials & Components	0.5 %	US General Dynamics	24.1 %
France	1.7 %	Real Estate	3.3 %	Metals - Non Ferrous	0.5 %	US Bangor Hydro	23.8 %
Netherlands	1.3 %	Health & Personal Care	2.8 %	Transportation - Road & Rail	0.5 %	GB Rmc	23.3 %
Japan	1.2 %	Business & Public Services	2.6 %	Transportation - Airlines	0.4 %	US First Interstate Bancor	22.7 %
		Aerospace & Military Technology	2.4 %	Utilities - Electrical & Gas	0.2 %		
Bottom Ten Stock Markets		Insurance	2.3 %	Automobiles	0.3 %	Bottom Ten Stocks	
Italy	- 3.3 %	Financial Services	2.1 %	Metals - Steel	- 0.6 %	JP Kyodo Printing	- 97.0 %
Norway	- 0.7 %	Electrical & Electronics	2.0 %	Construction & Housing	- 1.0 %	GB Astec (BSR)	- 29.9 %
Belgium	- 0.5 %	Broadcasting & Publishing	1.6 %	Telecommunications	- 1.1 %	JP Tohishiba	- 29.2 %
Singapore/Malaysia	- 0.2 %	Beverages & Tobacco	1.2 %	Misc. Materials & Commodities	- 1.5 %	FI Enso-Gutzeit A	- 24.6 %
Spain	- 0.2 %	Merchandising	1.1 %	Telecommunication Equipment	- 1.8 %	US Inland Steel Industries	- 24.1 %
Canada	- 0.1 %	Electronic Components, Instruments	1.0 %	Leisure & Tourism	- 2.4 %	FR Generale Geophysique	- 22.0 %
Austria	0.6 %	Multi-Industry	1.2 %	Consumer & International Trade	- 8.0 %	AU Fai Insurance	- 21.7 %
Denmark	0.7 %	Chemicals	1.1 %	Gold Mines	- 9.3 %	GB Reuters	- 18.7 %
		Recreation, Other Consumer Goods	0.9 %			FI Tampella Free	- 18.2 %
						FI Cultor B Free	- 17.9 %

All figures are percentage changes in U.S. dollar terms. Sources: Morgan Stanley Capital International

Classic Cars Coming Back as Collectibles

By Susana Antunes

ONCE collected for fun, classic cars have in recent years attracted the eye of speculators. And in the case of postwar classics in particular, the late eighties saw that interest grow into a speculative stampede. Rising values promised a quick and easy profit, and investors believed they were on to a sure thing. But now that bonanza is over — the value of collectible cars has plummeted.

"A lot of speculative money came into the market. That buying was generally uniform and certainly not based on enthusiasm. They would see a Ferrari or Aston Martin go for a good price and think all Ferraris and Aston Martins were worth backing," said Gregor Fiskin, a director of London-based classic car specialists Coys of Kensington.

Sotheby's Antony Davies, a London car auctioneer, identified the investment rush with the speculative plays being seen in most other areas of investment at that time. "The middle-aged City dealer types found they could afford cars which they admired when they were younger but couldn't afford then."

Sales at Christie's car department reflected the boom — turnover is reported to have increased from $5.8 million in 1986 to $19.4 million in 1987 and nearly $48.5 million in 1989. Miles Morris at Christie's said, "Car prices rocketed, and a lot of speculators jumped on the bandwagon."

Prices were pushed up to unrealistic and in the event unsustainably high levels. Confidence evaporated and values fell just as quickly as they rose. In 1987, for example, an Aston Martin DB4 would sell for between $39,000-$43,000. Two years later, it could fetch $97,000-$107,000 but now it would probably only sell for between $54,000-$68,000, depending on its age and condition.

So classic cars, as a whole, are still worth more than they were four or five years ago, but the bubble has burst and those who bought 18 months ago have had their fingers badly burnt. The lesson of the past few years, says Mr. Fiskin, is plain — cars cannot be treated as a securities portfolio on wheels. You cannot trade them like stocks or bonds and buy them one week to sell the next, he said.

Rarer vintage models, which seldom come on to the market, were largely unaffected by the boom-bust cycle, for certain models never go out of fashion. But Coys concedes that values have softened across the market, perhaps by as much as 25 percent. Mr. Norris at Christie's said, "We're now probably at the bottom of the market, but who knows when values will start to rise. Interest rates need to come down, and the situation in the Gulf needs to become clearer. At the moment, classic cars are expensive toys."

But a depressed market makes a wonderful buying opportunity. Coys reckons that around 70 percent of the market is securely based, with sellers prepared to bide their time. That leaves 30 percent who are perhaps feeling the squeeze of high interest rates and the general downturn in business confidence. This year could see a lot of forced sellers come out of the woodwork, prepared to take any price.

Just what makes a car a classic? Age certainly comes into it with classic cars confined to the very first ones to be built in the late 1800s through to the early seventies when we saw the last of the supercars — built for an age that was not conscious of the need for fuel conservation or financial economy. But age alone does not make a car desirable. Rarity and originality also comes into play, the quality of the coachwork, its history and, if it's a racing car, its race performance and links with star drivers. "If it was a poor car when it was new, then age won't change that," points out Mr. Fiskin.

CLASSIC cars are very much an international commodity. At any single auction, buyers can be found from the U.S., Australia, New Zealand, as well as from Germany, the U.K., Switzerland and Italy. And although now many U.S. and U.K. buyers are feeling the pinch, German and Swiss buyers do still seem to be buying.

Nurburgring in Germany, Monaco, and Scotsdale in Arizona all host important classic car shows. But London has become the clearing house for the world market, thanks to the U.K.'s highly developed dealer network, its experienced auction firms and vast array of restoration workshops.

The squeeze on the market has made an impact on the auction houses. Sotheby's, tempted by the boom into trading postwar cars, has retreated to handling only those cars it knows best — prewar vintage cars and sports cars. And it will not accept a car unless it is happy with the reserve price, a theme echoed at both Christie's and Coys. At Coys' last sale in December, 30 percent of the cars on offer had no reserve price attached at all.

Some areas of the market have been untouched by the classic car "gold rush" boom and slump. Pedigree racing cars and pre-World War II vintage cars are two areas that have remained relatively bouyant throughout.

Indeed Sotheby's achieved the best price ever for a Bentley last December, thought by many to be the bottom of the market. It sold a Bentley Gurney-Nutting 4.5 liter for $2.4 million. And, of course, there are some wealthy collectors who will always buy, and some special cars that will always sell. Last May saw a new world record set for the most expensive car, with the sale in Monaco of a 1962 Ferrarri 250 GDO for $12.4 million.

But more than anything, the shakeout of the past year has marked the return of the enthusiast, whose love of the car has more to do with an admiration for the lines of the car and feeling the wind in his face than of imagining how much he can sell it for tomorrow. Call it snobbish if you will, but it is certainly what sustains the classic arena through the years.

A Bentley Gurney-Nutting 4.5 liter recently fetched $2.4 million at Sotheby's in London.

FINALLY NON-AMERICANS CAN INVEST IN THE US-GOVERNMENT-AGENCIES' MORTGAGE-BACKED-OBLIGATIONS AND EARN MONTHLY(!) TAX-FREE HIGH INTEREST WITHOUT GRAPPLING WITH THE COMPLEXITY OF THESE PARTICULAR OBLIGATIONS

Have you heard of Ginnie-Mae, Fannie-Mae, or Freddie-Mac?

These aren't names from Western movies. These are probably the best and highest yielding long-term secured investments available in the US, for the serious investor. However, the complexities of managing these investments have discouraged even sophisticated and professional investors.

SAGAM MANAGEMENT HAS THE EXPERTISE, EXPERIENCE AND THE FACILITIES!
For individuals, Corporations and Institutions.

Already $100MM of these investments are managed by us for non-Americans, at a most prominent New York bank, and we now have the capacity and resources to manage substantially larger amounts.

Please write, call or fax to us for details, also about converting your currency at the best rates of exchange.

SAGAM MANAGEMENT CORP.
342 MADISON AVE., SUITE 1708
NEW YORK, N.Y. 10173
Tel: (212) 972-3377; Fax: (212) 972-0023.
Affiliated office in Toronto:
Sagam Financial Services (Canada) Inc.
1 First Canadian Place, suite 5900,
Toronto, Ontario, Canada M5X 1K2.
Tel.: (416) 368-7777; Fax: (416) 368-0807.

WE ALSO MANAGE SIGNIFICANT STOCK PORTFOLIO AND CURRENCY POSITIONS using our proven criteria for selection and timing.

This notice is void where restricted or prohibited by law. Please be well informed before making any investment decision.

April 15-16, 1991 New York

GLOBAL
Marketing & Distribution of
MUTUAL FUNDS

Presented by an unrivaled gathering of who's who in mutual funds

- Novel partnering structures
- Country-specific distribution issues
- Client and market profiles
- Comparison of offshore fund domiciles
- Tax-efficient structures for cross-border sales

• Udo Behrenwaldt *DWS Deutsche Gesellschaft für Wertpapiersparen mbH, Germany* • Hugh W. Bolland *Schroder Unit Trusts Limited, U.K.* • Deepak Chowdhury *Shearson Lehman Brothers, U.S.* • Sir Marc Cochrane *G.T. Management PLC, U.K.* • Willem Engleberts *Robeco Group, Netherlands* • Blake Goldring *AGF Management, Canada* • Robert W. Helm *Dechert Price & Rhoads, U.S.* • Marc L. Landeau *Olympia Capital Management, France* • James Mallozzi *Aetna Investment Management Limited, U.K.* • David M. Mullane *Pierson, Heldring & Pierson (U.S.) Inc.* • Warren Olsen *Morgan Stanley Institutional Funds, Morgan Stanley Asset Management, U.S.* • Christopher Poll *MICROPAL, U.K.* • Neil Rudolph *Wells Fargo Nikko, U.S.* • Peter Saunders *Royal Life Financial Planning, U.K.* • Alex Schmitt *Bonn & Schmitt, Luxembourg* • Charles Vitez *KPMG Peat Marwick McLintock, U.K.* • C. Rodney Williams *Fleming Fund Management (Luxembourg) S.A.* • Kate Woollett *Baring International Fund Managers, U.K.* • Hugh Young *Aberdeen Fund Managers Limited, U.K.*

Co-sponsors: International Herald Tribune, micropal

CALL, FAX OR WRITE FOR MORE INFORMATION

IHT

☐ Global Marketing & Distribution of Mutual Funds

Other Important IBC Events!

☐ Investment Opportunities in International Privatizations
Far East, Latin America, U.K., Eastern Europe, New Zealand
February 26-27, 1991 • New York

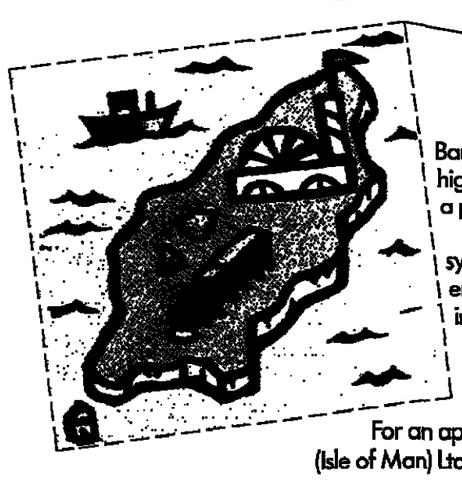
☐ Financing & Structuring International ESOPs
U.K., Continental Europe, Eastern Europe, Latin America, U.S.S.R.
March 11-12, 1991 • New York

☐ 3rd Annual Global Custody Services Forum
Europe, Asia/Pacific, Americas
29 speakers provide in-depth coverage and status reports on 39 markets — risk, settlements, depositories, custodians, income, taxes, valuation, proxy and more
April 10-11, 1991 • New York

NAME
POSITION DEPARTMENT
COMPANY
ADDRESS
CITY STATE ZIP COUNTRY
TELEPHONE FAX

IBC USA Conferences, Inc.
80 Pleasant Street
S. Natick, MA 01760, U.S.A.
Tel: (508) 650-4700
Fax: (508) 653-1627

Where in Britain can you open a complete bank account with high interest – paid gross?



Douglas, Isle of Man.
Bank of Scotland (Isle of Man) Ltd pays high rates of interest and doesn't deduct a penny in Income Tax.
The Isle of Man has its own tax system which enables expatriates to enjoy London Money Market rates without the tax imposition of the mainland.
At the same time you have the strength and acceptability that comes when dealing with a subsidiary of a major UK bank.
For an application form, return the coupon to Bank of Scotland (Isle of Man) Ltd, Bank of Scotland House, PO Box 19, Douglas, Isle of Man.

INTEREST 12·65% PAID GROSS
APPLIED RATE. Interest rates may vary - correct at time of going to press. Subject to minimum balance being retained.

- £1000 minimum opening deposit – no maximum balance.
- Standing orders and direct debits £1 per item.
- Statements quarterly (Free of charge).
- Interest calculated daily, paid monthly.
- Call (0624) 23074 for current interest rates.

Bank of Scotland (Isle of Man) Ltd was incorporated and is situated in the Isle of Man. The paid up capital and reserves of Bank of Scotland (Isle of Man) Ltd as at 28th February 1990 were £4.70 million.

IHT 26.1
High interest current account for expatriates.
Please send me a Manx Money Market Cheque Account Application Form ☐
Full Name
Address
Country
Bank of Scotland (Isle of Man) Ltd.
Looking after your interests in the Isle of Man

THE MONEY REPORT

BRIEFCASE

Royal Skandia Links 5 Funds To Four Management Groups

Royal Skandia has launched five new funds and announced links with four other management groups.

The Isle of Man-based subsidiary of the Skandia group — Sweden's biggest insurer with assets of more than $34 billion — is offering a choice of Ecu, dollar and sterling-denominated funds.

Fidelity will manage a sterling and a dollar fund; J.P. Morgan will take charge of a dollar fund; Morgan Grenfell will direct an Ecu fund, and Capel-Cure Myers will manage a sterling vehicle.

The investment objective of each fund will be to offer a balance of exposure to shares and bonds. Royal Skandia says that its existing range of funds already offers investors a choice of defensive or aggressive investment postures.

Minimum investment is £5,000 as a single investment or £100 as part of a regular commitment, or the equivalent in dollars or Ecus. Other major currencies are accepted. Charges run at 1 percent annually.

The funds benefit from local tax laws.

For more information, write Royal Skandia, Collinson House, Port Erin, Isle of Man, or call Isle of Man (44 0624 833343)

CBOE Launches the Latest In List of Options Contracts

This week the Chicago Board Options Exchange, the world's largest options market, took another leap forward. The CBOE has launched the latest in a series of long-term options contracts, which are popularly known as LEAPS, an abreviation of Long-term Equity Anticipation Securities.

The two new Leaps contracts are linked to the Standard & Poors 500 stock index, and confer the right to buy or sell the index at certain prices in December 1992 and December 1993.

International Institutions Boost Polish Privatization

The individual Polish investor just wasn't interested, so international institutional investors have come to the rescue of Poland's privatization program.

The privatization of five state-owned companies was targeted at individual investors, but when the subscription lists were due to close there were not enough applications to take up all the shares. Banks and insurance companies stepped in to turn the situation round.

The 300 billion zloty ($31 million at official rates) sale of prime state assets, including clothing, cable and construction companies, was eventually slightly oversubscribed.

U.K. Power Privatization May Also Court Institutions

International institutions will also be asked to step in if British investors fail to show sufficient interest in the forthcoming privatization of National Power and PowerGen, the two U.K. government-owned electricity generators.

Following the successful flotation of the 12 electricity distribution companies last year, the U.K. government hopes to raise £1.8 billion ($3.5 billion) from the sale of the two companies.

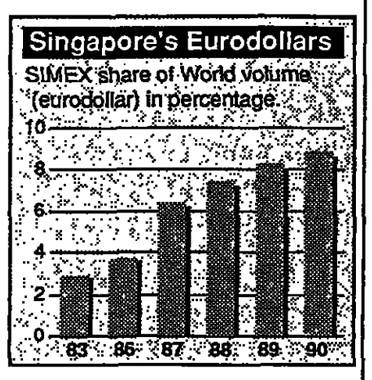
Up to 30 percent of the privatization has been set aside for American, Japanese and Canadian investors. But the early indications are that the sale, scheduled for next month, will be popular enough to scale down the non-U.K. interest to nearer 15 percent.

SIMEX Extends Trading On 2 Futures Contracts

The Singapore International Monetary Exchange (SIMEX), now pulling in a respectable share of the world's futures business, has extended the trading hours on two of its key contracts. As of Monday Eurodollar and Euroyen futures and options, plus some energy futures contracts will be traded longer.

Last week SIMEX increased the margin requirements on its energy contracts in the frantic trading and volatility that occurred with the onset of war. The minimum outlay for a Dubai Crude futures contract, for example, was raised from $9,375 to $11,250. The cost of maintaining a loss position was similarly raised.

The effect of raising margin requirements is to make trading more expensive — that way the contracts are slightly less volatile, and the losers tend to sell up earlier.



Philippine National Bank To List ADR Securities In U.S.

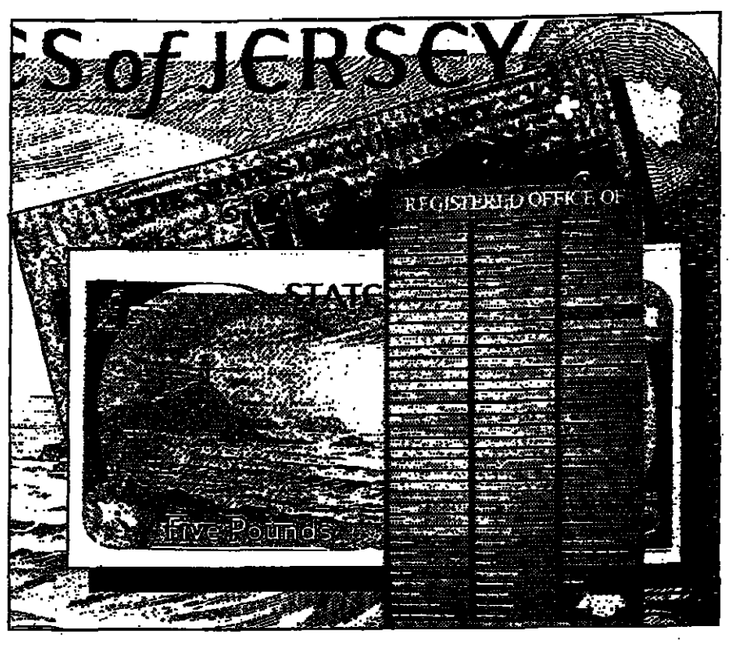
American investors are to be offered the opportunity to invest in the Philippine National Bank. Roughly six million securities in the form of American Depositary Receipts (ADRs) are scheduled to be listed on various U.S. exchanges this June. ADR's are a form of security that reflect the fortunes of the corporation to which they relate but do not move in exactly the same way as that corporation's share capital.

The ADR's will initially be listed at $6 each, and will offer American investors an easily liquidated form of investment in the Philippines.

Islands' Stability Spurs Huge Inflow of Funds

CHANNEL ISLANDS REPORT

By David C. Lanchner



THE flow of money into the Channel Islands offshore banking units of Jersey and Guernsey is a barometer of trouble elsewhere in the world. The tiny islands, which are semi-independent of the U.K. mainland, have recently seen huge inflows of money from Gulf emirates and from Hong Kong according to Colin Powell, economic adviser to the States of Jersey.

"A very substantial part of the money that comes to the Channel Islands comes for reasons of security rather than to avoid tax," says Mr. Powell, the most senior member of the small staff that regulates Jersey's outsize financial services industry. From a purely fiscal point of view it would probably be better to put money in even more exotic locales like the Cayman Islands, Madeira, Gibraltar, Vanuatu or any of a half dozen other places that have even more advantageous tax codes, observes Mr. Powell.

The advantages of the Channel Islands lie in political stability, superior investment expertise, a choice geographic location, a developed infrastructure and a regulatory system that has so far protected funds from the fraud that has proven endemic in many other low tax centers.

The basic tax structure of Jersey and Guernsey is fairly simple. No capital gains tax, wealth tax or inheritance tax but an income tax for residents pegged at 20 percent. Nonresidents and investment funds qualifying for nonresident status — meaning virtually all the funds based in the islands — are exempted from tax altogether. Most funds do, however, have to pay a modest annual exemption fee of £500 ($975). And the investment companies that run the portfolios must pay 20 percent income tax on their profits. This tax burden probably adds a bit to the investors total costs, experts say.

Banking secrecy, one of the principal pillars of looser tax havens, is also not given much emphasis on the Channel Islands.

"We have confidentiality laws but nothing out of line with what you would find in the U.S. or England," says Mr. Powell. "Sheltering drug lords and tax dodgers is not the basis of our success, respectability and sound finances are."

The islands have insulated investors from the danger of financial failure and preserved their reputation for above board dealings mainly through the application of stringent licensing criteria.

Banks operating in Jersey must be among the world's 500 largest, and mutual fund companies registered in the Island must be able to demonstrate profitability and sound finances stretching back at least 10 or 20 years. On Guernsey there is no cutoff on bank size, but institutions must be international in scope and have demonstrated profitability. "We are just as fussy as Jersey but just not as bedazzled by size," says John Roper, director general of Guernsey's Financial Services Commission, the agency responsible for regulating investment activities on the island.

One of the more stunning anecdotal proofs of the efficacity of licensing criteria in the islands was the rejection of the now notorious Barlow Clowes U.K. Gilt fund's registration application in the mid-'80s. The fund eventually registered in Gibraltar, supposedly racking up superior returns buying U.K. Gilts, the British equivalent of U.S. Government Treasury bonds. But the fund eventually collapsed and it turned out that investors money had mainly gone into the pockets, yachts and apartments of managers. "You don't have to worry about that kind of thing happening in the Channel Islands," says Brian Tora, a unit trust adviser at James Capel.

Traditionally, both Jersey and Guernsey have concentrated on avoiding such problems by focusing on the entry point. "Now we are moving on to supervision as well," says Mr. Roper. In the past four years, for example, both Jersey and Guernsey have instituted regular checks of new funds and new investment services before their launch. "We go over prospectus' and reject those involving funny assets or excessive borrowing," says Mr. Roper. A junk bond fund or a leveraged futures account would almost certainly be turned down, he says. "Mostly, you will only find regular stocks and bonds in Channel Island investment schemes."

Supervision has also expanded in the past year to regular checks of bank assets that are more stringent than those found in either the U.S., Britain or most continental European countries. The riskiness of each asset is awarded a numerical weighting, which is then translated into an overall ratio. If the risk weighting amounts to more than 10 percent of total assets, the bank must restructure its portfolio to keep it's license, officials say.

On Jersey investors can recieve full restitution on investments amounting to £48,000 or less. On Guernsey investors recieve 90 percent of their money on the first £50,000 invested and 30 percent of their money on the second £50,000 invested. The only other tax havens with similar protection schemes are the Isle of Man, Bermuda and Gibraltar (instituted after the Barlow Clowes affair).

A drawback to the Channel Islands and to all tax havens is a lack of deposit insurance in case of bank failure. "We have no depositor protection scheme analogous to what is in the U.S. or U.K. and we see no attraction in having one. After all, those countries must take the world as it is and we take only the banks we want to have," says Mr. Roper. "If one of the banks on our island failed it would probably indicate a worldwide problem that insurance funds probably could not cover anyway," says Mr. Powell.

In addition to its relatively strong regulatory structure, Jersey benefits from being located in the European time zone, close to both London's international financial center and growing continental bourses.

"That is an enormous advantage in several ways," says Andrew Christensen, another unit trust adviser at James Capel in London. First, because of the islands' history and location there is a superior and very diverse investment infrastructure. "Jersey and Guernsey are overflowing with the world's top accounting firms, banks and investment companies," says Mr. Christensen. "Education levels on the islands are high and there is a fully developed telecommunications system." Investors basically have one-stop shopping, which would not be the case in tax havens in more isolated or poorer parts of the world.

Building Societies Thrive on Solidity

By Martin Baker

ONE species of financial animal came relatively late to the Channel Islands. Building societies — the British equivalent of savings and loans institutions — only began to make their presence felt in the latter half of the '80s as legislative changes in the U.K. allowed them to expand.

Now the British thrifts are well established, but typically offer just retail savings products. Few building societies on the Channel Islands specialize in making loans.

Halifax, the U.K.'s biggest building society with assets of around $104 billion, established a subsidiary on Jersey in June last year. The Woolwich Equitable, number three in Britain, set up an operation in Guernsey in the same month.

One of the big advantages offered to investors is solidity — the building society industry is traditional, conservative and carefully regulated.

The other major attraction is the high income currently available on sterling deposits. This is paid without deduction of withholding tax.

For a minimum deposit of £10,000 ($19,500) investors receive a return of 13.5 percent with the Halifax. The interest is paid half yearly, or can be capitalized. A commitment of $100,000 yields 14.5 percent with the Halifax, 14.75 percent at the Woolwich.

The Abbey National, which recently converted itself from a thrift to become the U.K.'s third biggest bank in terms of share capital, offers a similar service from Jersey.

Recent tax concessions in the U.K. have not affected the thriving offshore deposit industry, for good reasons according to Peter Donne Davis, managing director of Abbey National (Overseas):

"Although interest can now be received gross in the U.K., it is only done by concession of the Inland Revenue. Here interest is paid gross by law."

For some, being overseas can be a lot more rewarding.

If Sir Walter had been able to benefit from the Lloyds Bank Overseas Club he would not only have made a personal fortune out of his American trips but been able to keep a better eye on what was happening back home.

A high-interest offshore current account is only the start of a very rewarding package that Lloyds Bank can offer to expats whether working or retired abroad; wherever in the world you live.

We can't offer knighthoods but we can organise the letting of your home in the U.K., arrange payment of your mortgage, insurance and school fees, advise on your pension. We can make sure you're tax efficient. And we offer special discounts to you as a member on a range of investment opportunities specially designed to help make your time abroad really rewarding. Phone, fax or clip the coupon and we'll send you all the information and a priority application form.

OVERSEAS CLUB

Adrian Hale, Manager, Jersey Expatriate Centre, Lloyds Bank Plc, P.O. Box 770, 35 Don Street, St Helier, Jersey, Channel Islands.
Offshore Banking, Lloyds Bank Plc, 1-5 Perrymount Road, Haywards Heath, West Sussex, RH16 3SP England.

Despatch to James R. F. Cooper, Offshore Banking, Lloyds Bank Plc, 1-5 Perrymount Road, Haywards Heath, West Sussex, RH16 3SP England.
Answerphone: 0444 418601. Fax: 0444 418748. Please send me details of the Lloyds Bank Overseas Club.

Surname Forename(s)
Address
Country Tel No: IHT 26.1.91

Lloyds Bank

THE THOROUGHBRED BANK

Lloyds Bank Plc is a member of IMRO. Rules and regulations made under the Financial Services Act 1986 of the United Kingdom for the protection of investors do not apply to the investment business of Lloyds Bank Plc carried out from branches outside the United Kingdom. Deposits are not covered under the Deposit Protection scheme under the Banking Act 1987. Copies of the latest Report and Accounts are available on request from Lloyds Bank Plc, 71 Lombard Street, London EC3P 3BS. The Overseas Club device and words are service marks of Lloyds Bank Plc.

EASTERN & CENTRAL EUROPE
THE NEW ENERGY PICTURE
BUDAPEST, MARCH 4-5, 1991

MARCH 4

OPENING KEYNOTE ADDRESS
Jozsef Antall, Prime Minister, Hungary*

THE GEOPOLITICS OF OIL
Anthony Sampson, Journalist and International Writer, London

RESTRUCTURING THE STATE COMPANIES
Dr Jozsef Toth, Managing Director, Mineralimpex, Budapest
Senior Executive, OMV AG, Vienna*

EMERGING PATTERNS OF SUPPLY & DEMAND
Dr Burckhard Bergmann, Member of the Executive Board, Ruhrgas AG, Essen
Robert Skinner, Director, Office of Long-Term Cooperation & Policy Analysis, International Energy Agency, Paris
Dr Alexey Yakushin, Chief of Energy Group, Institute for International Economic & Political Studies, USSR Academy of Science, Moscow
Roland Williams, Managing Director, Shell International Gas Ltd & Shell Coal International Ltd, London
Moderator: **Dr Herman Franssen**, Economic Advisor of HE the Minister of Petroleum & Minerals, The Sultanate of Oman

Lunch hosted by Metallgesellschaft AG
Speaker: **Dr Heinz Schimmelbusch**, Chairman, Metallgesellschaft AG, Frankfurt

ENERGY EXPLORATION: LAWS, LABOR & LOGISTICS
Senior Executive, Société Nationale Elf Aquitaine, Paris*
Alfred Boulos, Senior Director, Exploration & Production, International, Conoco Inc, Houston
Dr Elena Dyachkova, Senior Adviser, Institute of Geology of Foreign Countries, Moscow
Prof Yuri Yershov, Deputy Director, GVK, Moscow

REFINING & MARKETING OPPORTUNITIES
H. E. Dr Rashid Al-Ameeri, Minister of Oil, Kuwait*
Aleksandar Broz, Vice President, International Affairs, INA Oil, Zagreb
Gábor József, Deputy Director General, OKGT, Budapest
Hussein Linjawi, President Designate and Chief Executive Officer, Samarec, Jeddah*
Dr István Sokoral, General Manager, Afor Petroleum Products, Budapest

Cocktail reception hosted by Mineralkompor

MARCH 5

KEYNOTE ADDRESS
Prof Dr Subroto, Secretary General, OPEC, Vienna

THE CLASH OF BUSINESS CULTURES
Mark Elliott, Vice President & Regional Coordinator, Europe, Africa & Middle East Division, Chevron International, London
Lucio Lussu, Director, International Activities, ENI, Rome
A. Troitsky, Deputy Chairman, Gosplan, Moscow*
Istvan Zsengeller, General Manager, OKGT, Budapest
Dr Gyorgy Szabo, Deputy Director General, OKGT, Budapest

ENVIRONMENTAL PRIORITIES & PRESSURES
Dr Marilies Flemming, Minister of Environment, Austria
Josef Vavrousek, Minister Chairman of the Federal Commission of Environment, Czechoslovakia
Tom Burke, Director, The Green Alliance, London

Lunch

EASTERN & CENTRAL EUROPE: TURNING AROUND THE ECONOMIES
Rimmer de Vries, Managing Director, JP Morgan, New York

FINDING THE FUNDS TO FINANCE THE FUTURE
Dr Ottokarl Finsterwalder, Member of the Board of Managing Directors, Creditanstalt Bankverein, Vienna
Dr Marek Kulczycki, Director of the Department of Foreign Cooperation, Ministry of Foreign Economic Relations, Poland
Miklos Nemeth, Former Prime Minister, Hungary*
Moderator: **Humphrey Harrison**, Managing Director, Europe Energy/Environment Ltd, London

JOINT VENTURES: MANAGEMENT & MONEY
Eberhard von Koerber, Executive Vice President, ABB Asea Brown Boveri Ltd, Zurich
Walter Christian, Chief Executive, Burmah Oil Deutschland GmbH, Hamburg
Vladimir Dlouhy, Minister of Federal Economy, Czechoslovakia
Christian Duvigneau, Principal Operations Officer, The World Bank, Warsaw

Close of Conference

* Subject to confirmation

REGISTRATION INFORMATION: The fee for the conference is £650.00. This includes lunches, a cocktail reception and post conference documentation. Please note payment should be made in advance in pounds sterling. Substitutions can be made at any time.

CONFERENCE LOCATION: Hilton Hotel, Hess András tér 1-3, Budapest. Tel: (36 1) 175 1000. Fax: (36 1) 156 0285. To reserve accommodation, please contact the reservations department no later than February 15, notifying the hotel that your reservation is in connection with the International Herald Tribune conference.

International Herald Tribune

EUROPE ENERGY ENVIRONMENT LIMITED

REGISTRATION FORM: To register for the conference, please complete the form below and send it to: Brenda Hagerty, International Herald Tribune, 63 Long Acre, London WC2, England. Tel: (44 71) 379 4302. Fax: (44 71) 836 0717.

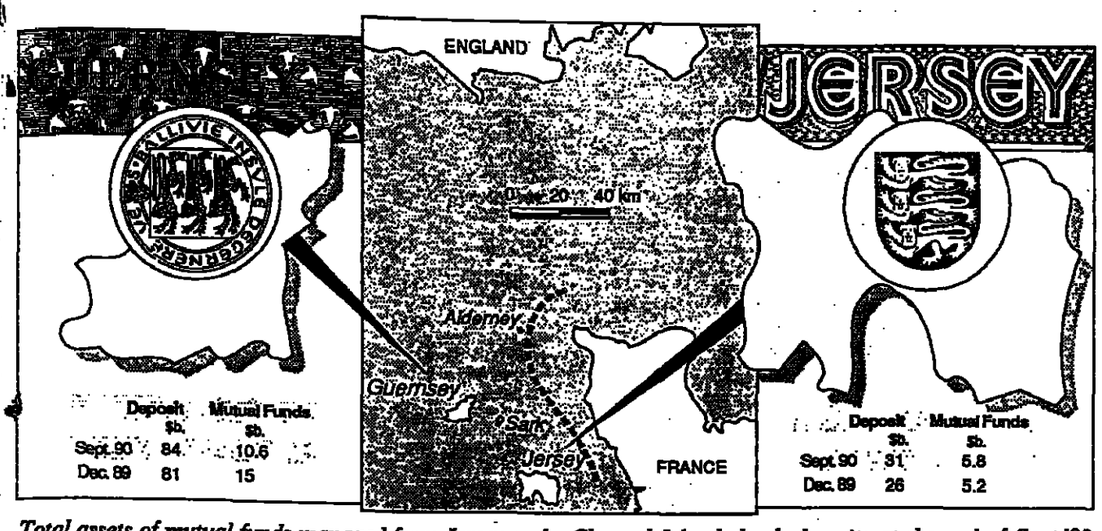
We recommend that you fax us immediately to reserve a place at the conference.

☐ Enclosed is a check for £650.00 made payable to the International Herald Tribune. Please note payment should be made in pounds sterling
☐ Please invoice
☐ Please send me details of the spouses program

Title (Dr. Mr. Mrs. Ms. Miss) .....
First Name .....
Family Name .....
Position .....
Company .....
Address 26-1-91
City ..... Country .....
Telephone ..... Fax .....

هكذا من الاصل

هكذا من الاصل



Total assets of mutual funds managed from Jersey and Guernsey at the end of Sept. '90 were £8.2 billion, compared with £10.1 billion at the end of Dec. '89.

Channel Islands bank deposits at the end of Sept.'90 totaled £57.9 billion, up from £53.4 billion at the end of Dec. '89. Deposits include sterling and other currencies.

Trust Management Broadens Its Appeal

CHANNEL ISLANDS REPORT

By Barbara Rosen

WHEN a self-made Scandinavian businessman or an heir from Ipswich decides it is time to secure his children's future, chances are he will put a goodly sum into a Channel Islands trust. In the offshore financial centers of Guernsey and Jersey, private banking, and especially trust management, has been growing.

In Jersey, "the trust management side took a quantum leap forward" after a 1984 law gave a statutory base to things like trustees' rights, says Richard Syvret, the island's commercial relations officer. He estimates assets worth £40 billion ($78.1 billion) are under trust management in Jersey's approximately 60 banks and other trust firms.

Peter Crook, Guernsey's superintendent of banks, estimates about half of the income of its 72 banks and building societies stems from commission- and fee-earning activities like trust and asset management. In 1989, the last year for which figures are available, the island's then 57 banks and building societies had combined pretax profit of about £78 million, he says, which does not include the other firms that handle trusts.

"Stability is the principal attraction of the Channel Islands," says Tim Betley, managing director of Royal Bank of Canada (Channel Islands). "There are no political parties. The establishment just continues to rule as it has for a very long time."

"We do control quite closely the financial institutions that come into Guernsey and Jersey," he said. "Equally so, we've managed to keep our noses clean for a long number of years."

Besides the confidence factor, there is the confidential.

"People tend to regard Jersey, I think, as an English-speaking Switzerland," offering similarly discreet and personalized financial services —but with "a lower entry level of wealth," says Stephen Ainsworth, a director of Bank of Scotland [Jersey] Ltd.

Not all countries recognize trusts. The concept originated in Anglo-Saxon law, and thus is found primarily in the United Kingdom or in those countries whose law derives from England, explains Michael J. Wilson of KPMG Peat Marwick, Channel Islands.

In the most common type of discretionary trust, a client, or settlor, transfers assets of any description — stocks, bonds, land, a yacht — into the name of a trustee to be held and managed for a third party, called the beneficiary, who is typically a family member, Mr. Wilson explains.

The trustees decide and are responsible for how the money is invested, although their activities can be challenged in court by the beneficiaries under law or the trust deed, explains David Boléat, a partner with the Channel Islands firm of Coopers & Lybrand Deloitte in Jersey.

"People typically set up a trust to protect assets from exchange controls or political instability, or to mitigate their tax liability or protect their children from capital taxation via inheritance, Mr. Boleat says.

Among Channel Islands trust managers surveyed, estimates of the minimum amount needed to set up a viable, cost-effective trust ranged from £100,000 to £500,000, though there are rarely fixed limits.

Roland Hurni, managing director of Credit Suisse [Guernsey] Ltd., says trust seekers choose the Channel Islands largely for price reasons. He estimates annual fees on Guernsey trusts are at most two-thirds of those on a trust set up with a Swiss bank via Liechtenstein.

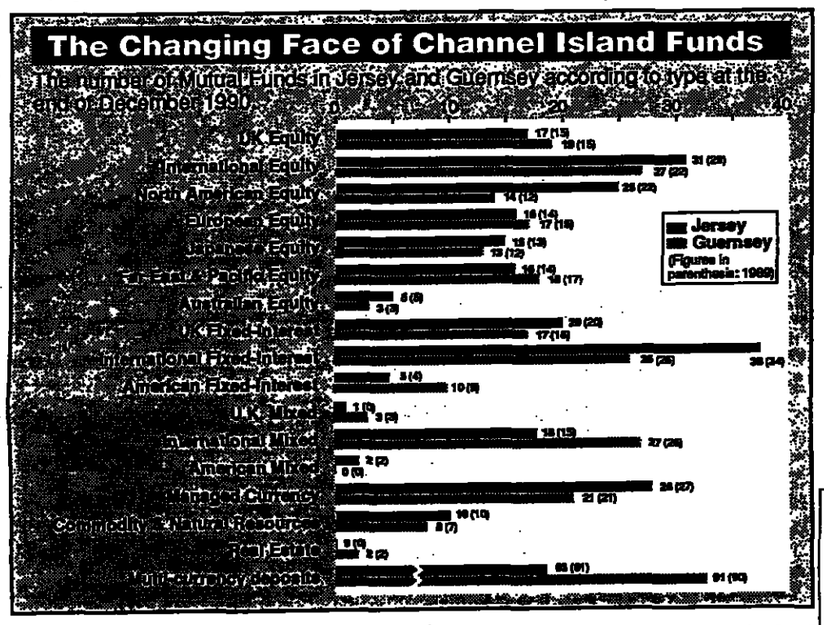
John Margison, senior manager of Lloyds Bank International [Guernsey] Ltd., estimates his bank's account executives probably earn half the salaries commanded by their counterparts in Switzerland.

The trust managers surveyed on Jersey and Guernsey say it can cost about £1,000-£1,500 to set up a trust. Annual fees vary and are often negotiable; those quoted for a trust up to £500,000 ranged from less than ¼ percent to 1 percent, depending on how much active management is required.

On the island of Jersey, authorities are trying to limit overcrowding by restricting job growth, in an effort to get the best returns taxwise from a limited population. The goal is zero job growth by 1992, says Mr. Syvret.

Trust management can be a very labor-intensive business. Bank of Scotland Trust set up its own office in Jersey in April (it previously acted through an agent) and, says Mr. Skinner, "I'm finding now that as things are building up quite rapidly, we've got to be more selective and go for the higher-value trusts," avoiding labor-intensive situations.

Mr. Syvret acknowledges that some trust and other companies have transferred activities elsewhere. But he notes that the goal is nil job growth overall — which means jobs in one sector or subsector can grow if those in another shrink.



Statistics on Channel Islands funds provided by Micropal, a London-based research company that ranks the performance of mutual funds, differs from those provided by the Jersey and Guernsey fund managers associations. These count umbrella funds as a single fund whereas Micropal includes all the subfunds that belong to an umbrella fund. At the end of Dec.'90, the Jersey association listed 170 funds while the Guernsey one listed 147 at the end of Sept. '90.

Umbrella Funds Proving Popular

By William Ellington

CHANNEL Islanders have built up a large financial services business over the years into what has many of the characteristics of a large bank. Roughly a fifth of the working population of Jersey and Guernsey are involved in taking and placing deposits, managing investment portfolios, writing and selling insurance and many of the other activities that a bank in London, Paris or Zurich would undertake.

In terms of the scope of activity, Jersey and Guernsey together are about on the level of Lloyds Bank, the smallest of London's large retail banks. Deposits in the Channel Islands total around £58 billion ($113 billion) compared with about £50 billion at Lloyds Bank. Assets of Jersey and Guernsey mutual funds total around £8.2 billion, which is less than those administered by Lloyds Bank on behalf private clients. Where the similarities stop is in the number of employees involved. Lloyds has branches spread throughout England and more than 80,000 employees.

Like the management of banks, Jersey and Guernsey officials monitor profits per employee for various financial activities with a view toward encouraging development of businesses that produce high returns with a small labor force. One of the most profitable and efficient businesses in the Channel Islands had been management of mutual funds. To an outside observer, the islands' mutual fund business appear to be threatened by competition and the effects of regulatory changes elsewhere. However, fund managers and government officials on the islands argue that while the regions in which they market their investment services are changing, their business will continue to grow.

Traditionally, the Channel Islands have sold mutual funds mainly to British subjects whether resident in Britain or working abroad. Umbrella funds are a popular vehicle. These are mutual funds that are composed of several subfunds with different investment objectives and usually different currency denominations. Investors could switch between the subfunds as they changed their investment objectives at little or no cost. More importantly, until about two years ago, Britons weren't subject to tax on profits they made in switching from one component to another. However, British authorities eliminated this loophole, making umbrella funds less attractive to British residents.

Bruce Riley, chairman of the Guernsey Fund Managers Association and managing director of Guinness Flight Fund Managers (Guernsey) Ltd., said the impact of the U.K. change in tax law on the islands' mutual fund business was probably small though business at the time suffers because of the share crash in 1987.

A more encompassing challenge to Jersey and Guernsey fund managers has been efforts by the European Community to encourage cross-border competition in Europe's mutual fund industry. In particular, the EC has established a vehicle called Undertaking in Collective Investment in Transferable Securities, of UCITS, which makes it relatively easy to obtain authorization to sell the same mutual fund in any EC member country. In contrast, the procedures for getting authorization to sell a Jersey and Guernsey fund in EC countries can be lengthy and complicated because the Channel Islands remain outside the EC.

This opened up the prospect of the offshore mutual fund industry following in the footsteps of the Eurobond industry, where tax and regulatory changes have made it easy for institutions to sell domestic bonds internationally rather than go the other way around with bonds listed or registered in offshore centers such as the Netherlands Antilles or Luxembourg. Following the same suit of cards, Jersey and Guernsey have lost some mutual funds, which have been reincorporated in Luxembourg or Dublin to take advantage of the EC regulations.

For instance, Fidelity International Ltd., a large mutual fund operator, reincorporated its Jersey mutual funds in Luxembourg last year. "We decided that we wanted to develop a global product — Fidelity Funds — which could be sold in several markets," said Susan Platts-Martin, a product development manager at Fidelity International. "Funds based in Jersey require a lot more rigorous authorization process (for sale in EC countries) than is the case in Luxembourg."

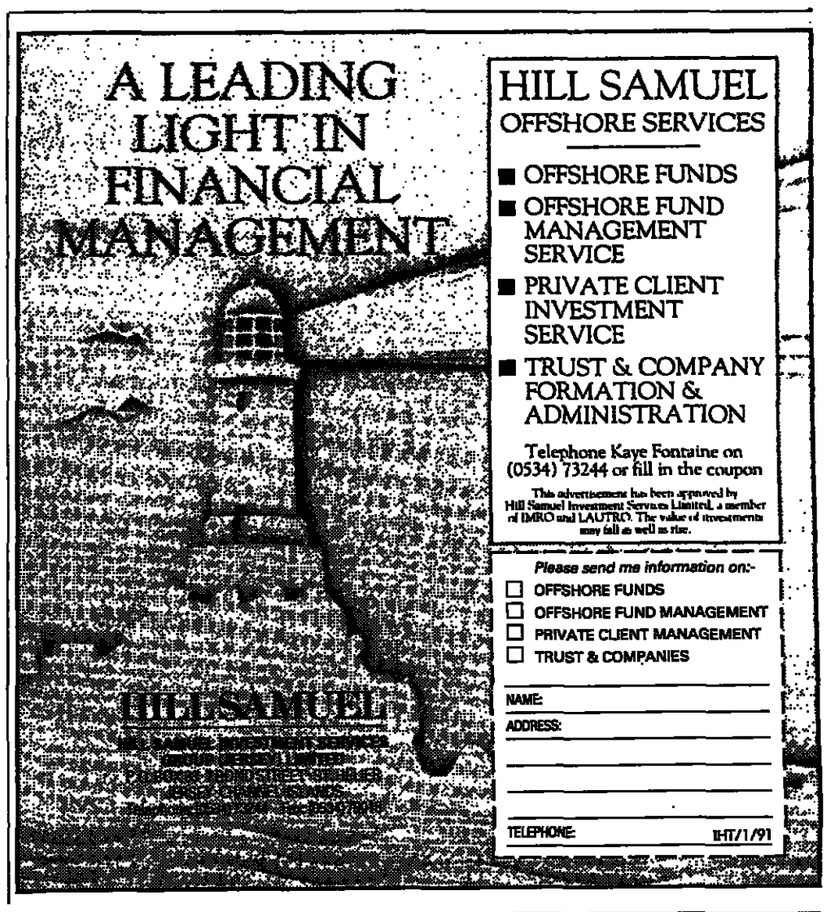
Though some funds have left the Channel Islands funds on account of UCITS regulations, the impact seems to be small so far. "UCITS haven't put us at a disadvantage. We have legislation that is in line with any major country," says Robin Fuller, manager at N.M. Rothschilds and Sons in Guernsey.

Nigel Taylor, superintendent of Investment Business at the Guernsey Financial Services Commission, reckoned that about 10 Guernsey funds had been shifted to Luxembourg to advantage of EC incorporation.

"I can't say that Guernsey has been affected by EC regulations. In any case, the regulations don't work in practice. The chaps that have gone to Luxembourg haven't been selling anything."

On that latter point, some European fund managers confirm that UCITS regulations haven't been a marketing panacea.

One of the bright spots in Guernsey's business is captive insurance, which arises when companies insure themselves by paying premiums to a subsidiary. Once established captive insurance companies often undertake third party insurance to spread the risk.



HILL SAMUEL
OFFSHORE SERVICES

- OFFSHORE FUNDS
- OFFSHORE FUND MANAGEMENT SERVICE
- PRIVATE CLIENT INVESTMENT SERVICE
- TRUST & COMPANY FORMATION & ADMINISTRATION

Telephone Kaye Fontaine on (0534) 73244 or fill in the coupon

This advertisement has been approved by Hill Samuel Investment Services Limited, a member of IMRO and LAUTRO. The value of investments may fall as well as rise.

Please send me information on:-
☐ OFFSHORE FUNDS
☐ OFFSHORE FUND MANAGEMENT
☐ PRIVATE CLIENT MANAGEMENT
☐ TRUST & COMPANIES

NAME:
ADDRESS:
TELEPHONE: IHT/1/91

GUINNESS FLIGHT TOP PERFORMING INTERNATIONAL MONEY FUNDS

All funds top quartile over 1 and 3 years to 01.01.91 : FINSTAT.

	Yield %*
Sterling	14.3
Swiss Franc	8.5
Deutschemark	8.3
Yen	7.6
US Dollar	7.1

*Yields quoted are for 7 days compounded to 17.01.91 annualised. Past performance is not necessarily a guide to the future, yields may fluctuate.

To: Guinness Flight, P.O. Box 250, Guernsey, CHANNEL ISLANDS. Tel: 0481-712178.
Please send me Money Fund details
NAME
ADDRESS
638-91

Issued by Guinness Flight Global Asset Management Limited, a member of IMRO and Lautro, and investment adviser to Guinness Flight International Fund Limited a Guernsey AI Authorised and UK Recognised Collective Investment Scheme.

With your money earning so much interest...

HIGH INTEREST CHEQUE ACCOUNT
13.0% P.A.*
GROSS INTEREST PAID QUARTERLY

...you'll want a convenient new way to spend it.

Open a TSB Offshore Premium Account to earn a high rate of interest paid gross quarterly – with instant access to your money – and have the additional convenience of TSB's new Bankcard.

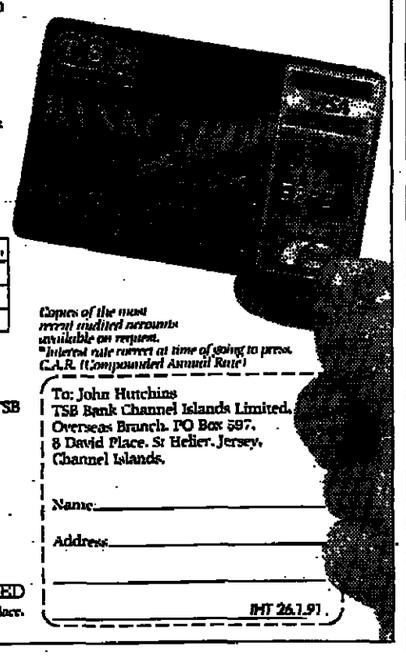
TSB Bankcard can be used worldwide at any bank or shop displaying the VISA sign.

The money you withdraw or the purchases you make are debited directly from your TSB Offshore Premium Account. Each transaction is itemised in full on your free quarterly bank statement. Your only limit is your account balance.

	GROSS %*	GROSS* C.A.R.%
£75,000+	13.00	13.65
£20,000+	12.50	13.10
£ 2,000+	12.00	12.55

You need just £2,000 to enjoy all these benefits plus a cheque book and overdraft facilities which can be arranged.

For further information about opening a TSB Offshore Premium Account simply fill in the coupon and post it to John Hutchins at TSB in Jersey.



Copies of the most recent audited accounts available on request.
Interest rate correct at time of going to press.
C.A.R. (Compounded Annual Rate)

To: John Hutchins
TSB Bank Channel Islands Limited,
Overseas Branch, PO Box 597,
8 David Place, St Helier, Jersey,
Channel Islands.

Name
Address
IHT 26.1.91

TSB BANK

TSB BANK CHANNEL ISLANDS LIMITED
TSB Bank (Channel Islands) Limited, PO Box 597, 8 David Place, St Helier, Jersey, Channel Islands.

Offshore Deposit Accounts.
One name stands out in the field.

Take full advantage of Offshore Deposits Accounts with Royal Trust in Jersey and then reap the rewards.

Sterling One Month Fixed	U.S. Dollar One Month Fixed	Canadian Dollar One Month Fixed
14.2%*	6.7%*	10.7%*

THE BENEFITS TO YOU

We can provide you with the advantages of four separate deposit accounts giving you:–

1. Automatic transfer of funds between accounts
2. Demand Accounts so you have funds available at any time
3. Cheque book facilities
4. Currency of your choice
5. The Higher Interest of a Fixed Term Account

For further details phone us now on our dedicated "HOTLINE" and you'll be in direct contact with one of our experienced managers for on the spot advice.
Or simply fill in the coupon opposite, send it to us and we'll send you our comprehensive brochure.

Dedicated Hotline: Overseas: (44) 534 283200 United Kingdom 0534 283200

IHT (1-91)
Reap the rewards with *Royal Trust Offshore Deposit Accounts*
Name
Address

Nigel Hart,
Royal Trust Bank (Jersey) Limited
P.O. Box 194, Royal Trust House,
19/21 Broad Street, St. Helier,
Jersey, Channel Islands

ROYAL TRUST
WHERE ADVICE COMES FIRST

Dedicated Hotline: Overseas: (44) 534 283200 United Kingdom 0534 283200

Deposits made with the offices of Royal Trust Bank (Jersey) Limited are not covered by the Deposit Protection Scheme under the U.K. Banking Act 1987.

*Compounded Annual Rate. Rate correct at time of going to press.
Rates are quoted for amounts in excess of £50,000/U.S.$100,000. Minimum balance accepted £10,000/U.S.$20,000
Royal Trust (Jersey) Limited's principal place of business is in Jersey and the paid up capital and reserves were £19,265,000 further supported by subordinated loans capital of £7,000,000 on 30th November 1989.
Royal Trust Bank (Jersey) Limited is a member of the Royal Trustco Group of Companies. The latest audited accounts of Royal Trust Bank (Jersey) Limited are available on request.

SPORTS

On the Defensive: It Takes 2

For New York's Taylor, The Life of an NFL Legend

By Richard Justice
Washington Post Service

TAMPA, Florida — He may be the greatest defensive player in history. At the very least, he's one of the most feared and most ferocious players of all time and this week, Lawrence Taylor of the New York Giants has been the most watched, most followed and most quoted player leading up to Super Bowl XXV.

He has spoken about the Buffalo Bills, about his often turbulent relationship with his coach, Bill Parcells, and about himself. Especially about himself.

After 10 seasons and 10 Pro Bowl selections, Taylor is now awarded the ultimate compliment — his own position. Coaches and general managers talk of drafting "an LT" or moving someone into "an LT role."

That means a 6-foot 3-inch (1.90-meter), 243-pound (110-kilogram) linebacker who has the strength to take on offensive tackles and the speed to cover tight ends and running backs out of the backfield.

The Bills arrived here having scored 95 points in two playoff games. But they know they must account for LT on every snap. They have many ways to win, but the Giants have the game's best defense and its most feared defender.

"I'll tell you how good he is," Bills center Kent Hull said. "When we go to the line of scrimmage, every linemen will notice where he is. He lines up at left end and right end, and he can also come right up the middle. Even the linemen not in the game will notice."

He's the first player ever selected to the Pro Bowl in his first 10 seasons, and the legend around Lawrence Taylor has grown much larger than his own wide shoulders.

Players respect him and fear him because of what he does on the field, but the legend has grown beyond that. Not just that he claims to have whipped a cocaine problem by playing golf. Not just because he has played some of his best games after some of his latest nights. "I hold him in awe," a former teammate said.

He's the guy who ended the career of Washington's Joe Theismann with a gruesome hit, and he's still capable of the occasionally awesome performance like the 12 tackles, 2½ sacks and forced fumble he had against Minnesota in Week 13.

The Bills know this, but watching him and stopping him are two different things. As Taylor himself said Thursday: "This is the last game of the season and you don't hold anything back. You line up and go."

How do the Bills prepare?

"The guy's a rebel," an NFC coach said. "I don't think the Giants always know where he's going to line up or what he's going to do, so how is anyone else to know?"

He's 31 now and this season there have been whispers he has slowed down. He had three sacks in the opener against Philadelphia and one the next week against Dallas.

He had 6½ the remainder of the season, 2½ against the Vikings, and at times looked less than fearsome. "People are always looking for something," Giants linebacker Carl Banks said. "He may not be what he once was, but he's still better than anyone else."

Taylor: "I know my limitations. Everyone expects me to play like I'm 22. I'm not 22 and I know that. That doesn't mean I can't still play. I can and I can also take advantage of the people around me, which is something you only get by playing."

For Buffalo's Bruce Smith, Season Spent at the Summit

By Michael Wilbon
Washington Post Service

TAMPA, Florida — It had been a wonderful week for Bruce Smith. His Buffalo Bills were here in the Super Bowl, and all the experts, even the great Lawrence Taylor himself, paid homage to the self-proclaimed most dominant defensive player. Smith put on a different pair of shades every day and welcomed the glare of the spotlight.

But Bruce Smith, 27, has often said that every time he feels life couldn't get much better, something drags him down. Wednesday night, during a telephone conversation with his mother in Norfolk, Virginia he sensed there was something she was hiding from him. He pulled it out of her: His 67-year-old father, who has had four heart attacks, had suffered an emphysema attack. He was hospitalized, in intensive care.

Smith wore shades again Thursday to a morning gathering with reporters, but this time they hid pain. "I'm going to just have to fight through this," he said.

He let out a deep sigh. "Yeah, there's always something to balance my life," he said, voice trailing.

The scales have been tipped heavily in favor of good fortune. Cornelius Bennett, his teammate and friend, remembers Smith saying a year ago, "If I want to be remembered for anything in this game, I've got to bust my butt every single day, don't I?"

Now that was a novel sentiment for the once-undisciplined Smith to express. As a high school senior, he was fat. "I took a lot of pride in seeing how much I could eat," he said.

His excesses weren't limited to the table. In 1988, he was suspended from the Bills for four games after testing positive for drugs. "My suspension was the worst thing I've ever been through," he said Thursday. "It's something that will never happen again."

This might be oversimplifying, but Smith woke up one day and decided he was willing to do whatever necessary to live up to being the No. 1 pick in the 1985 draft. Ribs, desserts and drugs weren't part of the plan.

Smith, now a strict seafood-and-chicken man, also has a new Eastern European training regimen. It's no coincidence he recorded a career-high 19 sacks this season and disrupted virtually every opposing offense.

Smith, who went to Virginia Tech, thinks about the University of Virginia recruiter who said he'd never be quick enough to play there, and says: "I wonder where that scout is today?"

That scout, wherever he is, probably agrees that Smith is what he said he was before a regular season game against the Giants: the defensive player of the year. Bennett says the people who objected most to Smith saying he surpassed LT were the Bills' offensive linemen, who had to try to block Taylor that week.

Part of the charm of Bruce Smith is that few can resist him. He is the Buffalo Bill everyone wants to get next to. He is the handsome shooting star who knows the only certification of greatness is a Super Bowl ring.

"LT is a walking legend," Smith said. "When it's my 11th or 12th year in the league, hopefully I will have accomplished some of the things he has."

This was to be a week when Smith enjoyed football. But life got him down. He's bothered by the war, and now the hurt has come even closer.

"This was going to be the week for me to be on top of the world," he said. "But not while my father is in the condition he's in. That's where my heart is."

Mark Lennihan/The Associated Press
Jeff Hostetler had plenty of reason to smile during practice this week, but how will he fare Sunday?

Hostetler: The Key to the Kingdom

By Thomas Boswell
Washington Post Service

TAMPA, Florida — Rarely has a team won the Super Bowl with a career backup at quarterback. If the New York Giants, with reserve Jeff Hostetler in charge, beat the Buffalo Bills and star Jim Kelly on Sunday, they will become one of the first teams to win with a lesser quarterback.

This Super Bowl probably will turn on one issue: how Hostetler handles himself. Many hearts say he will be fine, but history screams otherwise. Backups and journeymen, tough guys and rookies usually are eaten alive by The Game.

What a team needs is a Hall of Fame-type leader such as Joe Namath, Roger Staubach, Bart Starr, Bob Griese, Joe Montana or Terry Bradshaw. They won 15 Super Bowls.

Vantage Point

Of course, the Super Bowl is not always won by the better quarterback — take Doug Williams and the Redskins over John Elway and the Broncos. But here are the 10 Super Bowls we might consider putting into the QB Gap category:

Green Bay's Starr over Oakland's Daryle Lamonica. The Jets' Namath over the Colts' Earl Morrall. Kansas City's Len Dawson over Minnesota's Joe Kapp. Miami's Griese over the Redskins' gutty Billy Kilmer. The Cowboys' Staubach over Denver's Craig Morton. Pittsburgh's Bradshaw over the L.A. Rams' Vince Ferragamo. The Redskins' Joe Theismann over Miami's David Woodley. Chicago's Jim McMahon over New England's Tony Eason. We could quibble about the size of the gap, but the pattern is clear.

The Super Bowl has never before had a quarterback charisma chasm like this one. Hostetler must face comparison with the glamorous Kelly, king of the hurry-up offense, who threw 24 touchdown passes in 14 regular season games this year, then led the Bills to 44 and 51 points in playoff games.

Everybody here has nice things to say about Hostetler. He's so smart he was an academic all-American in college and was nominated as a Rhodes scholar. He's so tough he was a high school all-American at linebacker and has played wide receiver and special teams for the Giants. He's so poised and careful of turnovers that New York is 6-0 in his career starts.

But to hear the Bills and Giants talk, you'd think there was no difference between Phil Simms, who has thrown for more than 30,000 yards, and Hostetler, who has tried 199 career passes.

PART of this respect for Hostetler may be attributable to his considerable personal appeal. The stuff of football myth may be gathering itself around him. He's proud enough to say: "No, this is not a dream to me. I've always thought I could play. I've just never gotten a chance."

Hostetler is one victory away from a permanent place in sports folklore. The spare part has become the cog. He's already set the stage. In a 31-3 playoff victory over the Bears, his numbers were modest — 112 yards passing, 43 rushing. But everything he did was right. Then, in New York's chilling 15-13 victory over the 49ers, he seemed to do just enough to win.

Could Hostetler underwhelm Buffalo? Are the Bills already overconfident? Both Andre Reed and Bruce Smith made jaws drop here with incredibly injudicious comments. Both have said they'd rather have faced San Francisco because there would have been more credit to be gained in beating the 49ers. You just don't say that about a 15-3 opponent.

No quarterback in Super Bowl history ever has been asked to overcome so much. History says it's never been done. But the heart still has its whispers.

Super Bowl Television

Live or delayed telecasts of the Super Bowl, or radio broadcasts, can be received in the following countries, according to the NFL. Kickoff is at 2318 GMT Sunday, although that could change depending on the situation in the Gulf. Check local listings.

Europe

BELGIUM: Canal Plus Belgique, live coverage.
BRITAIN: Channel 4, live coverage with pregame show. Highlights on Monday at 5 P.M.
IRELAND: RTE Network2, live coverage with pregame show.
FRANCE: Canal Plus, live coverage.
GERMANY: Tele 5, live coverage.
ITALY: Tele + 2, live coverage.
THE NETHERLANDS: Veronica, 35 minutes of highlights at 6:55 P.M. on Tuesday Jan. 29.
SPAIN: TV3, regional network in Catalonia, live coverage.
SWEDEN/NORWAY/DENMARK: Scansat, live coverage.
U.S. ARMED FORCES NETWORK: Live coverage on cable networks in **Belgium, Britain, the Netherlands, Norway** and **Germany**. In **Austria**, AFN can be received via satellite dish. **AFN Radio**, which can be picked up in those same countries, will broadcast at 873, 1107, 1143 and 1485 on the AM band.

Asia

AUSTRALIA: ABC, live coverage.
HONG KONG: TVB Pearl, live coverage.
JAPAN: Nippon Television, live coverage.
The U.S. military's Far East radio network, based in Tokyo, will air the game live at 810 on the AM band. The game can be received on the frequencies of 1535 and 1537 megahertz by listeners in Asia equipped with a special 48-inch satellite dish and a decoder.
U.S. military personnel can also see the game on closed circuit TV at bases in Japan.
MALAYSIA: Adre, live coverage.
NEW ZEALAND: TV3, live coverage.
THE PHILIPPINES: The U.S. Military's Far East Network, live coverage on TV.
SINGAPORE: SBC, live coverage.
SOUTH KOREA: The Armed Forces in Korea Network, live coverage. Live radio coverage on AFKN's AM station.
TAIWAN: CTS, live coverage.
THAILAND: Intal and BP Promo, live coverage.

Middle East

DUBAI: Dubai TV, live coverage.
ISRAEL: ICP, live coverage.
ARMED FORCES RADIO and TELEVISION SERVICES will telecast and broadcast the game live. A videotape duplicating center in Bahrain will distribute tapes to U.S. military personnel on ships and in the desert. U.S. forces in Turkey can see the game at military bases.

'What if' Day Likely Is Feb. 3

Compiled by Our Staff From Dispatches

TAMPA, Florida — If the Super Bowl is postponed because of events in the Gulf, it probably would be delayed until the following Sunday.

"We have had discussions with the league on a 'what if' basis," said Dennis Swanson, president of ABC-TV Sports. "Monday night does not work for us. We plan to do the American Music Awards, which is a live show. Tuesday night is the president's State of the Union address."

A person familiar with the plans of both the National Football League and ABC said Sunday, Feb. 3 was the contingency day if the game had to be postponed.

If the game is interrupted by ABC News for gulf coverage, Swanson said the announcers would continue to broadcast the game for overseas outlets.

● Football fans in the Soviet Union and China will be able to see the Super Bowl, but they will have to wait.

"It may be in March, or even as late as May," said Jim Bukata, senior vice president of Trans World International, a New York-based company that handles the worldwide TV rights to the Super Bowl.

Officials from the government-run Soviet Television in Moscow agreed this week to air an edited version of the Super Bowl, according to officials of Trans World International. Although China has received such delayed tapes for four of the past five years, this is a first in the Soviet Union, the company said. *(NYT, AP)*

BOOKS

THE AMERICAN KALEIDOSCOPE: Race, Ethnicity, and the Civic Culture

By Lawrence H. Fuchs. 618 pages. $45. Wesleyan/University Press of New England, 17½ Lebanon Street, Hanover, New Hampshire, 03755.

Reviewed by Peter H. Schuck

AT a time when the media feature stories about black boycotts of Korean grocers in New York, racial gerrymandering in Los Angeles, white backlash in Cuban-dominated Miami, and "official English" referenda all over, American society seems less like a melting pot than a beaker brimming over with explosive, incompatible chemicals.

Lawrence Fuchs, a distinguished scholar of ethnicity and immigration, argues in "The American Kaleidoscope" that the truth is both more complicated and more reassuring. The melting pot image, he says, ignores the remarkable persistence of group identity in America. Mosaic and salad images are too static to capture the flux of ethnic change. A symphony image suggests harmony where conflict has been the rule. Fuchs prefers a kaleidoscope metaphor; its parts relate to each other in constantly changing ways, producing fresh shapes and new patterns. In fact, today's pattern is more diverse, tolerant and humane than ever.

The United States has turned ethnic diversity to greater advantage than any other nation in history. In a world of xenophobic, tribalistic, severely fragmented societies, America has managed to forge a rich, durable civic culture out of a plethora of clashing group identities. The public philosophy that sustains it, however, did not spring full-blown from the founders' collective brow.

To encompass the changing patterns of ethnic relations over almost four centuries is an immense task. The first 350 years consume less than a third of the book, while the postwar period is covered in considerable detail. The discussion ranges widely, but certain broad themes stand out.

First, our system has worked extraordinarily well in integrating ethnic groups into the civic culture. Without exception, every group has advanced far beyond its point of origin in terms of economic performance, social mobility and status, political influence and participation in most aspects of American life. Fuchs scatters clues about some of the determinants of this remarkable progress; community solidarity, skills, religious and cultural values and political activity were all important.

A second, more troubling theme is that the rate of progress has been very uneven within and across racial and ethnic groups. Fuchs maintains that the barriers to advancement by blacks have been much higher than those that were confronted by Native Americans and non-WASP immigrant groups.

Affirmative action's well-known anomalies highlight the importance of Fuchs's third theme. The real barriers to equal opportunity, he stresses, are rooted less in race and ethnicity than in class. The triumph of our kaleidoscopic civic culture has not prevented the continuing isolation of chronically poor native-born blacks, Indians, Puerto Ricans and Mexican-Americans, whom he collectively calls the "ethno-underclass." Affirmative action has produced few benefits for these individuals, and may even have increased their isolation by drawing the most talented and energetic members out of their communities and out of their class.

Fuchs's discussion is admirably even-handed. The flip side of this scrupulous balance, however, is that he says almost nothing about how we should address class-based social problems.

But the ambition of this fine book is perspective, not policy. Its sweeping catalogue of American ethnic experience retrieves for us both the miraculous integrative triumphs of American democracy and the persistent failures of our kaleidoscopic culture. By reminding us of where we came from and how far we have journeyed, it can help us to understand where we must still go.

Peter H. Schuck, Simeon E. Baldwin Professor of Law at Yale Law School, wrote this for The Washington Post.

BRIDGE

By Alan Truscott

ON the diagramed deal, both teams reached three no-trump, but from opposite sides of the table. The bidding shown included an artificial rebid of two clubs, which required North to bid two diamonds. West led the heart jack, and South won with the king, cashed the diamond ace and played another diamond.

West won with the king and made a key play by shifting to the spade ten. This was covered with the jack and king, and a spade was returned to the queen. South would have survived if he had won the trick with the ace, because West was now entryless. Clubs could have been developed without permitting East to lead his remaining spade.

But South not unnaturally played for the club honors to be divided. He held up the spade ace, and when the suit was continued he was doomed: East had a sure club entry to cash two more spade tricks for down one. The post-mortem showed that South could have survived if he had chosen to win the first trick in the dummy and play clubs before diamonds.

In the replay, North became the declarer in three no-trump and survived, with some help from the defense, in spite of the fact that a spade was led to the queen.

NORTH
♠ A J 7 2
♡ Q 8 3
♢ Q J 9 5
♣ 10 9

WEST
♠ Q 10 4
♡ J 10 9 7 5
♢ K 4
♣ 8 5 4

EAST
♠ K 8 6 5 3
♡ 2
♢ 10 8 6
♣ K Q 8 3

SOUTH(D)
♠ 9
♡ A K 6 4
♢ A 7 3 2
♣ A J 7 2

Both sides were vulnerable. The bidding:

South	West	North	East
1 ♣	Pass	1 ♠	Pass
2 ♣	Pass	2 ♢	Pass
2 N.T.	Pass	3 ♢	Pass
3 ♡	Pass	3 ♠	Pass
3 N.T.	Pass	Pass	Pass

West led the heart jack.

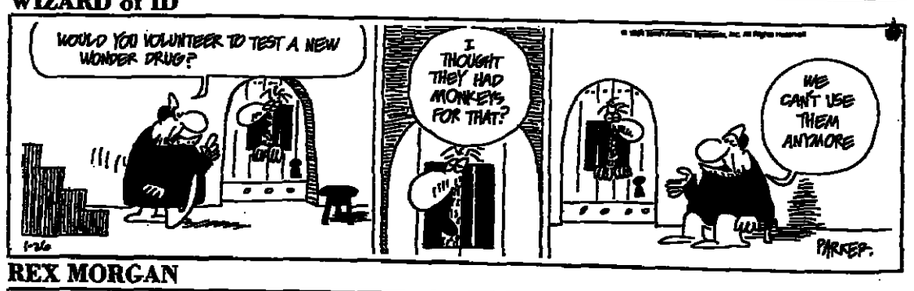
DOONESBURY

PEANUTS

BEETLE BAILEY

ANDY CAPP

WIZARD of ID



REX MORGAN

DENNIS THE MENACE

JUMBLE. THAT SCRAMBLED WORD GAME by Henri Arnold and Bob Lee

Unscramble these four Jumbles, one letter to each square, to form four ordinary words.

RYGOL
NABOR
GIMINT
SAVILE

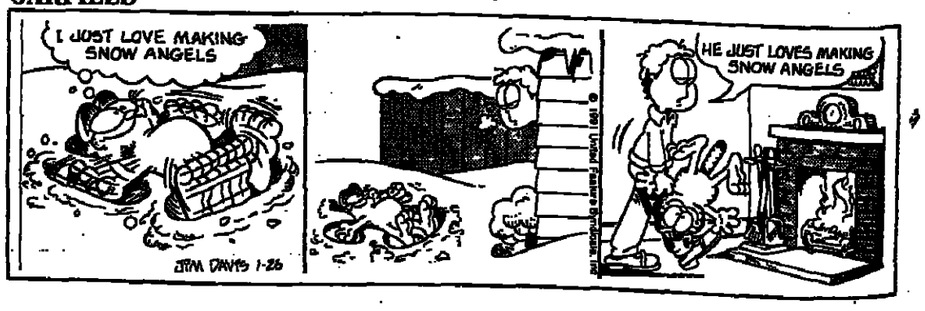
Now arrange the circled letters to form the surprise answer, as suggested by the above cartoon.

Answer: A "_____-_____!" (Answers Monday)

Yesterday's Jumbles: FEWER CHICK SAVORY WEAKEN
Answer: What key might "unlock" the tongue? — "WHIS-KEY"

BLONDIE

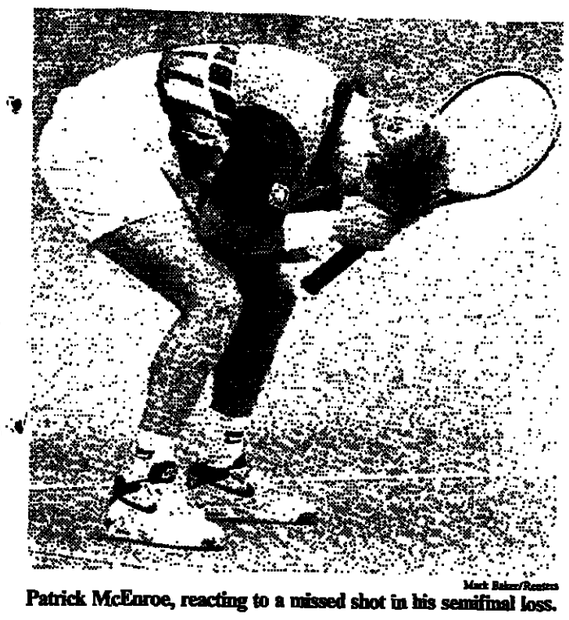
GARFIELD



هكذا من الاصل

هكذا من الأصل

SPORTS



Mark Baker/Reuters
Patrick McEnroe, reacting to a missed shot in his semifinal loss.

Becker Halts McEnroe, Lendl Gets Past Edberg

Compiled by Our Staff From Dispatches

MELBOURNE — Reality caught up with Patrick McEnroe, and the percentages overtook Stefan Edberg at the Australian Open tennis tournament on Friday, putting Boris Becker and Ivan Lendl into the final.

The mystifying run of John McEnroe's younger brother ended in the semifinals. He won the first set in a tiebreak and was on serve through eight games in the second before the second-ranked Becker put away the world's 114th-ranked player, 6-7 (2-7), 6-4, 6-1, 6-4, with the help of 23 aces.

"Fully expected," McEnroe said with a smile, when asked to describe an extraordinary two weeks in which he has established himself as more than just a doubles specialist, and more than just another McEnroe.

"It gives me a lot of satisfaction to know that the hard work I've been doing has paid off," he said. "It makes me want to work even harder."

Edberg went much differently, but just as mysteriously. The world's top-ranked player blew two match points on a netted volley and a double fault in the 10th game of the fourth set and lost to Lendl, two-time defending champion, 6-4, 5-7, 3-6, 7-6 (7-3), 6-4.

"Sometimes, it happens," said Edberg, one of the world's steadiest serve-and-volleyers. "Some weeks you have problems doing certain things and the next week it's gone. It can happen, and it happened today."

Edberg had 11 double faults in the match.

Lendl will play Becker for the $250,000 first prize on Sunday. A victory by Becker would put him on top of the world rankings, ahead of Edberg.

The women's championship, also worth $250,000, will be decided Saturday. Monica Seles, seeded second, goes for her second Grand Slam singles title against 10th-seeded Jana Novotna.

The match may have been overload for McEnroe, who had played 34 sets going into the semifinals.

Becker took the first three games of the match before McEnroe came back and forced a first-set tiebreak. The set was full of winners on both sides, and McEnroe was particularly effective at the net.

Becker, meanwhile, could not find the groove. He yelled at both himself and photographers, whose shutters clicking as Becker served disturbed the three-time Wimbledon champion.

He settled down to hold serve, but McEnroe saved a set point in the 10th game and dominated the tiebreak with his serve and a pair of forehand winners on the last two points to take it 7-2.

"I lost my mind a little bit," Becker said of his fits of temper. "I told myself to calm down, calm down."

Becker continued to chastise himself and argued several line calls in the second set. But his game was picking up, while McEnroe's was fading, and the 22-year-old German finally broke for 5-4 in the second set as errors started to fly off the American's racket.

Becker held for the set in a love game that featured his 15th, 16th and 17th aces, and he broke to open the third set on a backhand passing shot down the line.

McEnroe, who did not appear to have any problems with his back after an injury in the quarterfinals, was showing more signs of wear, unable to chase down Becker's increasingly strong and accurate groundstrokes or keep him away from the net.

Becker, who had never made it past the quarterfinals in five previous attempts in this tournament, won the last four games of the set and stretched the streak to seven to take a 3-0 lead in the fourth set. McEnroe came back to tie it, 4-4, but Becker broke to close the match on his second match point, a netted volley by McEnroe.

Volley errors also cost Edberg against Lendl. Lendl broke on a backhand volley error in the ninth game, held for the first set, 6-4, and kept Edberg back with strong groundstrokes through the 10th game of the second set. But Edberg held for 6-5 on an ace and broke on a backhand passing shot to even the match.

He continued to pressure Lendl's serve in the third set, breaking for 5-3 on a netted volley and holding for a 2 sets to 1 lead on two volley winners.

Edberg saved two break points in the 10th game of the fourth set on a service winner and a backhand crosscourt volley into the corner to gain his first match point at 5-4, ad-in, and pumped his fist in delight. But the joy vanished when he charged behind his second serve and netted a backhand volley.

Two points later, on match point again on a service winner, Edberg caught the net with his first serve, then sent the second long, and Lendl was off the hook.

"I'm sure it's happened to me before, but in a Grand Slam, in a semifinal, that's not going to happen too often," Edberg said.

Lendl won the tiebreak 7-3 on Edberg's ninth double fault. Lendl then broke for 3-2 in the fifth set on another volley error and exchanged love serve games with Edberg in the eighth and ninth games and closed it at 30 on a forehand winner into the corner, with the Swede far out of position. *(AP, Reuters)*

Australian Open Results

Women's Doubles, Semifinals
Gigi Fernandez, U.S., and Jana Novotna (1), Czechoslovakia, def. Jill Hetherington, Canada, and Kathy Rinaldi, U.S., 6-0, 3-6, 8-6; Patty Fendick, U.S., and Mary Joe Fernandez (4), U.S., def. Monica Seles, Yugoslavia, and Anne Smith (10), U.S., 6-1, 3-6, 6-2.

Ginther Edges Kronberger in Downhill

Compiled by Our Staff From Dispatches

SAALBACH-HINTERGLEMM, Austria — Sabine Ginther was fastest in the downhill portion of the women's combined event at the World Alpine Skiing Championships on Friday, but her Austrian teammate, Petra Kronberger, was in excellent position to win the combined title.

Ginther completed the course in 1 minute, 18.23 seconds to edge Kronberger by more than a third of a second. Chantal Bournissen of Switzerland was third.

The slalom portion of the event, which will be run Thursday, is counted more heavily than the downhill in determining the combined winner. Kronberger is the top female slalomer.

While Ginther and Bournissen primarily are downhillers, Kronberger leads this year's World Cup slalom standings and has won two of the five World Cup slaloms this season.

"I'm in a very good position," said Kronberger, who is favored to win five medals at the two-week championships.

Kronberger finished the 2,069-meter (6,800-foot) course, which had a drop of 638 meters, in 1:18.59. Bournissen's time was 1:18.69.

Kronberger held a comfortable lead over her most serious slalom rivals. Michaela Gerg of Germany was fifth in 1:18.75, Florence Masnada of France was 18th, almost two seconds behind, and Anita Wachter of Austria, the reigning Olympic combined champion, was 21st. All three said Kronberger appeared unbeatable.

Kronberger is the woman to beat in all five events at the championships. This season, the 21-year-old bank employee became the first woman to post victories in all five disciplines during a World Cup season.

As the men were practicing Friday for their downhill run on Sunday, Sweden's Lars Boerje Eriksson broke a leg and Norway's Lasse Kjus cut his lip and lost two teeth in spills, touching off new questions about safety of the course.

Both fell in mid-course. Kjus went off at full speed, skidded through the nets and crashed into the crowd. *(AP, AFP)*

World Championships

Top finishers in downhill portion of the women's combined event Friday at Saalbach-Hinterglemm, Austria: 1. Sabine Ginther, Austria, 1 minute, 18.23 seconds; 2. Petra Kronberger, Austria, 1:18.59; 3. Chantal Bournissen, Switzerland, 1:18.69; 4. Svetlana Gladishiva, Soviet Union, 1:18.70; 5. Michaela Gerg, Germany, 1:18.75; 6. Katrin Gutensohn, Germany, 1:18.90; 7. Katja Seizinger, Germany, 1:18.91; 8. Kerrin Lee-Gartner, Canada, 1:18.92; 9. Miriam Vogt, Germany, 1:18.99; 10. Warvara Zelenskaia, Soviet Union, 1:19.14.

Thomas Kienzle/The Associated Press
Surya Bonaly's free skating program was a winner at the European Skating Championships.

From France, A Surprise In Skating

The Associated Press

SOFIA — Since the women's European Skating Championships began in 1930, France was shut out until 17-year-old Surya Bonaly stunned the sport by winning the singles championship here.

Bonaly clinched her victory by winning the free skating competition on Thursday night. She moved past defending champion Evelyn Grossmann of Germany, who won the crown while representing East Germany in 1990.

The French national anthem and the flag being raised thrilled Bonaly, the nation's first skater to win a major international championship.

"I hope it will continue," she said.

Next are the World Championships in Munich in March and a meeting with Midori Ito of Japan, who was the gold medalist.

Bonaly, the three-time French champion, won the World Junior Figure Skating crown in Budapest last November after a third and a second the two previous years. Bonaly, who was born in the Reunion Islands but adopted by a couple in Nice, won an under-12 world novice tumbling title before switching to figure skating.

Her style is acrobatic, like that of Ito. Bonaly has flirted with a quadruple jump, attempting a few times in competition and landing it once in an exhibition.

"I wanted to put it here," Bonaly said.

Bonaly landed five triple jumps in her winning program on Thursday. She fell once and missed another but her technical ability swung the balance in her favor.

Grossmann finished third in the free skating competition and blamed cutbacks since German reunification for her struggles.

"We have my coach and ice, and that is all right," she said. "But we haven't the coaches for ballet and athletics. They lost their jobs, and that is bad."

Only Jutta Mueller, the former coach of two-time Olympic champion Katarina Witt, remained loyal to East German figure skating. She still works with Grossmann.

SIDELINES

Auto Racing Staying on Track

PARIS (Combined Dispatches) — The Gulf war will not mean any changes to the motor sport calendar this year, Jean-Marie Balestre, the president of the International Automobile Federation, said Friday.

Cancellations "would only happen if a serious *'force majeure'* endangered security or the sporting context of the events," he said.

In Monte Carlo, preparations were complete for the beginning on Saturday of the 59th edition of the Monte Carlo Rally. *(AFP, AP)*

Völler Is Named to Soccer Panel

ZURICH (AP) — Rudi Völler, the AS Roma star striker who helped Germany win the World Cup last summer, has been named to a blue-ribbon panel investigating soccer's problems, FIFA said Friday.

Völler is the player representative on the seven-member panel, which is to make recommendations by the end of the year aimed at promoting goal-oriented play. Michel Platini, the former World Cup star who coaches France's national team, was named earlier as coaches' representative.

Other members announced by FIFA, soccer's world governing body, were Danish World Cup referee Peter Mikkelsen and Luca di Montezemolo, Italian chief organizer of the 1990 championship finals.

Lidio Toledo of Brazil will represent sports medicine; Sergio di Cesare of Italy, media; and Graham Kelly of England, administration.

Gaetti Goes From Twins to Angels

MINNEAPOLIS (AP) — Gary Gaetti ended his 12-year career with the Minnesota Twins by agreeing with the California Angels on a four-year contract worth $11.4 million.

Gaetti, 32, was granted new-look free agency last month in the collusion settlement. The third baseman signed Thursday.

For the Record

A misdemeanor charge of possession of cocaine was filed against Southern California quarterback Todd Marinovich, police officials in Newport Beach, California, said Thursday. He was also charged with a misdemeanor count of possession of marijuana. *(AP)*

Sweden on Friday called off a friendly soccer match against Tunisia, scheduled for Feb. 13 in Tunis, because of the Gulf war. *(Reuters)*

The U.S. and Italian amateur boxing federations on Friday postponed a series of bouts in Italy next month because of the Gulf war. *(AP)*

Ohio State Keeps Going

The Associated Press

It is impressive that Ohio State is unbeaten after 17 games. It is even more impressive that the Buckeyes are 4-0 on the road in the Big Ten Conference.

"People say you can't win on the road in the Big Ten, but I think it's a mental thing," Ohio State guard Jamaal Brown said Thursday night after an 80-70 victory at Minnesota. The game was part of a three-game road swing for the fourth-ranked Buckeyes that started with a 93-85 victory at No. 3 Indiana on Monday and will end next Thursday at No. 22 Michigan State.

"We like the road and play hard," said Brown, who scored seven of his 17 points in a 21-8 first-half run that put the game away.

Ohio State (17-0, 7-0) and top-ranked UNLV are the only undefeated teams in the United States.

No. 3 Indiana 70, Michigan 60: The Hoosiers (16-2, 4-1 Big Ten) were led by Greg Graham's 19 points at Michigan.

No. 5 Arizona 78, Stanford 76: Sean Rooks scored with one second to play and the visiting Wildcats (16-2, 5-1 Pacific 10) prevailed in a see-saw game. Adam Keefe, who led all scorers with 29 points, was guarding Rooks, but slipped on a wet spot as he scored the winner.

Oregon State 97, No. 11 UCLA 96: Charles McKinney's short jumper with seven seconds left in the second overtime brought the Beavers (11-5, 5-1 Pacific 10) the upset at home. Teo Alibegovic kept Oregon State in the game with 34 points, including the basket with one second left in regulation to send the game into overtime.

■ Jordan Leads NBA Stars

Chicago's Michael Jordan was the leading vote-getter for the fifth straight year in balloting for the NBA All-Star team, The Associated Press reported from New York.

Jordan, the league's leading scorer with a 31.1 average, received 1,217,429 votes to earn his seventh consecutive All-Star berth.

Joining Jordan in the starting lineup for the Eastern Conference will be guard Isiah Thomas of Detroit, center Patrick Ewing of the New York Knicks and forwards Charles Barkley of Philadelphia and Larry Bird of Boston.

However, Thomas's team announced Friday that he will undergo surgery on his injured right wrist Tuesday and miss at least 12 weeks.

San Antonio center David Robinson was the leading vote-getter in the Western Conference with 695,519. He will be joined in the starting lineup by guards Magic Johnson of the Los Angeles Lakers and Kevin Johnson of Phoenix and forwards Karl Malone of Utah and Chris Mullin of Golden State.

COLLEGE BASKETBALL

European Basketball

EUROPEAN CUP WINNERS' CUP
PAOK Salonika 108, Limoges 88
Maccabi Tel-Aviv 72, Split 70
Leverkusen 93, Kingston 83
Pesaro 93, Barcelona 89

SCOREBOARD

BASKETBALL

NBA Standings

EASTERN CONFERENCE

Atlantic Division	W	L	Pct	GB
Boston	30	9	.769	—
Philadelphia	22	18	.550	8½
Washington	18	21	.462	12
New York	18	22	.450	12½
New Jersey	13	26	.333	17
Miami	11	29	.275	19½
Central Division				
Chicago	28	12	.700	—
Detroit	28	13	.683	½
Milwaukee	27	15	.643	2
Atlanta	24	16	.600	4
Indiana	16	24	.400	12
Cleveland	13	27	.325	15
Charlotte	12	27	.308	15½

WESTERN CONFERENCE

Midwest Division	W	L	Pct	GB
San Antonio	28	10	.737	—
Utah	26	14	.650	3
Houston	21	20	.512	8½
Dallas	13	25	.342	15
Minnesota	13	25	.342	15
Denver	10	30	.250	19
Orlando	10	31	.244	19½
Pacific Division				
Portland	35	7	.833	—
L.A. Lakers	28	11	.718	5½
Phoenix	25	13	.658	8
Golden State	22	17	.564	11½
Seattle	18	19	.486	14½
L.A. Clippers	14	27	.341	20½
Sacramento	11	26	.297	21½

THURSDAY'S RESULTS

L.A. Lakers	34	32	35	22—123
Charlotte	28	24	18	31— 93

Worthy 11-14 1-1 24, Johnson 7-9 2-2 19; Tyrucks 8-17 7-9 23, Curry 8-17 2-2 19. Rebounds: Los Angeles 55 (Divac 9), Charlotte 45 (Gminski, Tribucka 7). Assists: Los Angeles 37 (Johnson 17), Charlotte 24 (Bosses 7).

Minnesota	29	17	23	25— 94
Houston	35	22	29	32—118

Richardson 11-26 0-0 23, Mitchell 9-14 4-4 22; Thorpe 10-14 3-3 23, K. Smith 10-15 2-3 22. Rebounds: Minnesota 37 (Spencer 8), Houston 63 (L.Smith 22). Assists: Minnesota 16 (Richardson 7), Houston 33 (Maxwell 10).

Cleveland	27	22	23	31—103
San Antonio	22	24	32	33—111

Nance 12-20 7-7 32, Ferry 6-10 3-3 15; Robinson 12-18 6-8 30, Cummings 6-19 6-10 18. Rebounds: Cleveland 45 (Ehlo, Ferry 7), San Antonio 51 (Robinson 13). Assists: Cleveland 22 (Nance, Ehlo 5), San Antonio 26 (Strickland 10).

New York	28	29	30	28—117
Denver	29	35	27	29—120

Ewing 12-16 6-8 30, Cheeks 6-11 7-9 19; Adams 7-10 24 6-8 21, Rasmussen 8-20 3-2 18, Williams 7-16 4-6 18. Rebounds: New York 60 (Ewing 16), Denver 72 (Rasmussen 15). Assists: New York 28 (Cheeks 11), Denver 25 (Adams 11).

All-Star Voting

Final results of fan voting for the 41st Annual NBA All-Star Game, to be played Feb. 10 at Charlotte, North Carolina

WESTERN CONFERENCE

Centers

1. David Robinson, San Antonio, 695,519; 2. Akeem Olajuwon, Houston, 454,685; 3. Mark Eaton, Utah, 156,475; 4. Kevin Duckworth, Portland, 152,279; 5. Mark West, Phoenix, 122,522; 6. Benoit Benjamin, L.A. Clippers, 117,197; 7. Blair Rasmussen, Denver, 112,684; 8. Ray Tarsley, Dallas, 108,468; 9. Vlade Divac, L.A. Lakers, 85,890; 10. Randy Breuer, Milwaukee, 52,984.

Forwards

1. Karl Malone, Utah, 499,201; 2. Chris Mullin, Golden State, 387,996; 3. James Worthy, L.A. Lakers, 355,831; 4. Tom Chambers, Phoenix, 332,324; 5. Jerome Kersey, Portland, 262,217; 6. Terry Cummings, San Antonio, 227,889; 7. Derrick McKey, Seattle, 216,218; 8. Buck Williams, Portland, 215,534; 9. Charles Smith, L.A. Clippers, 180,844; 10. Sam Perkins, L.A. Lakers, 146,250.

Guards

1. Magic Johnson, L.A. Lakers, 665,354; 2. Kevin Johnson, Phoenix, 381,463; 3. Clyde Drexler, San Antonio, 348,995; 4. John Stockton, Utah, 344,118; 5. Chris Jackson, Denver, 250,865; 6. Jeff Malone, Utah, 227,344; 7. Mitch Richmond, Golden State, 196,685; 8. Terry Porter, Portland, 194,463; 9. Tim Hardaway, Golden State, 180,335; 10. Dale Ellis, Seattle, 171,163.

EASTERN CONFERENCE

Centers

1. Patrick Ewing, New York, 764,573; 2. Robert Parish, Boston, 396,962; 3. Moses Malone, Atlanta, 262,174; 4. Bill Laimbeer, Detroit, 177,915; 5. J.R. Reid, Charlotte, 153,977; 6. Sam Bowie, New Jersey, 141,782; 7. Rik Smits, Indiana, 87,878; 8. Brad Daugherty, Cleveland, 87,509; 9. Mike Gminski, Charlotte, 77,535; 10. Rony Seikaly, Miami, 63,580.

Forwards

1. Charles Barkley, Philadelphia, 808,454; 2. Larry Bird, Boston, 717,049; 3. Bernard King, Washington, 319,390; 4. Dennis Rodman, Detroit, 307,183; 5. Scottie Pippen, Chicago, 286,572; 6. Dominique Wilkins, Atlanta, 267,770; 7. Horace Grant, Chicago, 214,171; 8. James Edwards, Detroit, 184,574; 9. Kevin McHale, Boston, 166,688; 10. Charles Oakley, New York, 154,134.

Guards

1. Michael Jordan, Chicago, 1,217,429; 2. Isiah Thomas, Detroit, 493,414; 3. Joe Dumars, Detroit, 391,638; 4. Reggie Lewis, Boston, 227,570; 5. Muggsy Bogues, Charlotte, 219,615; 6. Ledell Eackles, Washington, 197,530; 7. Alvin Robertson, Milwaukee, 162,421; 8. Mark Price, Cleveland, 159,697; 9. Doc Rivers, Atlanta, 140,909; 10. Maurice Cheeks, New York, 138,886.

Major College Scores

EAST
Cent. Connecticut St. 76, Rider 69
Fairleigh Dickinson 99, Long Island U. 78
Hofstra 67, Wagner 60
La Salle 89, Canisius 74
Rhode Island 81, Duquesne 75
Robert Morris 99, Mount St. Mary's, Md. 71
Siena 90, Manhattan 55
St. Francis, NY 80, Marist 63
St. Peter's 72, Niagara 60
Temple 55, Massachusetts 53
West Virginia 84, George Washington 80

SOUTH
Cincinnati 60, Tulane 56
Coastal Carolina 75, Campbell 62
Georgia Southern 94, Texas-San Antonio 87
Georgia Tech 89, Clemson 68
Howard U. 97, Md.-E. Shore 80
Memphis St. 67, Florida St. 66
Morehead St. 88, S. Utah 75
Morgan St. 85, Coppin St. 58
NE Louisiana 96, SW Texas St. 76
NW Louisiana 58, Stephen F.Austin 55, OT
Radford 65, Coll. of Charleston 57
South Alabama 88, Old Dominion 80
Southern Miss. 84, Louisville 81
Stetson 93, Centenary 63
Texas-Arlington 64, McNeese St. 63

MIDWEST
Butler 100, Dayton 95
Ill.-Chicago 61, N. Iowa 59, OT
Indiana 70, Michigan 60
Loyola, Ill. 102, St. Louis 71
Marquette 68, Evansville 57
Ohio St. 80, Minnesota 70
S. Illinois 79, Bradley 69
Wisconsin 74, Northwestern 57
Xavier, Ohio 69, Detroit 67

SOUTHWEST
Lamar 88, Louisiana Tech 77
SW Louisiana 116, Prairie View 90
Texas-El Paso 60, Hawaii 52
Texas-Pan American 67, Arkansas St. 65
Tulsa 78, Indiana St. 68

FAR WEST
Arizona 78, Stanford 76
Brigham Young 72, Air Force 55
California 76, Arizona St. 65
Gonzaga 75, Santa Clara 64
Long Beach St. 85, Utah St. 78
Los Angeles St. 105, U.S. International 103
New Mexico 79, San Diego St. 68
New Mexico St. 88, San Jose St. 58
Oregon 86, Southern Cal 84
Oregon St. 97, UCLA 96, 2OT
San Diego 99, Portland 92
UC Santa Barbara 76, Fullerton St. 65
Utah 55, Colorado St. 51

HOCKEY

NHL Standings

WALES CONFERENCE

Patrick Division	W	L	T	Pts	GF	GA
N.Y. Rangers	26	17	8	60	186	156
Philadelphia	26	21	4	56	179	165
Pittsburgh	26	21	3	55	215	184
New Jersey	20	20	10	50	183	171
Washington	22	26	2	46	158	169
N.Y. Islanders	17	25	6	40	135	168
Adams Division						
Boston	27	16	8	62	183	164
Montreal	27	18	5	59	168	149
Buffalo	21	17	10	52	174	157
Hartford	21	23	5	47	142	164
Quebec	10	31	9	29	140	222

CAMPBELL CONFERENCE

Norris Division	W	L	T	Pts	GF	GA
Chicago	32	15	4	68	171	133
St. Louis	26	15	7	59	175	146
Detroit	22	22	5	49	164	172
Minnesota	14	29	8	36	153	179
Toronto	12	32	5	29	142	207
Smythe Division						
Los Angeles	26	17	5	57	194	156
Calgary	25	19	5	55	201	160
Edmonton	23	21	3	49	159	151
Vancouver	19	26	4	42	156	184
Winnipeg	16	27	8	40	148	181

THURSDAY'S RESULTS

Quebec	9	1	0	1
New Jersey	3	2	1	6

Wolanin (2); Brown (6), Stastny (12), Stastny (13), Lemieux 3 (24). Shots on goal: Quebec (on Terreri) 8-9-11—28. New Jersey (on Gordon, Tugnutt) 12-14-12—38.

Hartford	0	0	1	0
Boston	1	0	2	3

Sirois (5), Burridge (13), Neely (29). Shots on goal: Hartford (on Moog) 7-7-9—23. Boston (on Hartford, Sidorkiewicz) 11-6-11—28.

Washington	0	1	0	1
Philadelphia	2	2	2	6

Kypreos (7); Lacombe (6), Sutter (10), Acton (10), Tocchet 3 (34). Shots on goal: Washington (on Hextall) 13-17-9—39. Philadelphia (on Liut) 9-5-12—26.

Buffalo	2	1	2	5
Chicago	3	1	0	4

Krupp (8), Hogue (11), Hawerchuk (18), Turgeon (22), Ramsey (4); Murray (10), Creighton (15), Roenick 2 (26). Shots on goal: Buffalo (on Belfour, Cloutier) 9-7-16—32. Chicago (on Wakaluk) 8-12-15—35.

CRICKET

FOURTH TEST
Australia vs. England
Friday, in Adelaide, Australia
Australia 1st innings: 269-5

SOCCER

JAWAHARLAL NEHRU GOLD CUP
Romania 2, China 0
(Final on Sunday: Romania vs. Hungary)

TRANSACTIONS

BASEBALL
American League

BALTIMORE—Named Roy Krasik director of minor league administration.

MINNESOTA—Agreed to terms with Nelson Liriano, second baseman, on one-year contract.

N.Y. YANKEES—Agreed to terms with Pat Sheridan, outfielder, on minor league contract and invited him to spring training. Invited Dion James, outfielder, to spring training.

TEXAS—Agreed to terms with Bobby Witt, pitcher, on three-year contract. Agreed to terms with Rich Gossage, pitcher, on minor league contract and invited him to spring training.

National League

ATLANTA—Agreed to terms with Mark Grant, pitcher, on one-year contract.

CINCINNATI—Agreed to terms with Marlano Duncan, second baseman, on one-year contract. Signed Mo Sanford and Luis Vasquez, pitchers, and Reggie Sanders, outfielder, to minor league contracts.

HOUSTON—Agreed to four-year player-development contract with Jackson, Texas League. Agreed to terms with Jim Deshaies, pitcher, on one-year contract.

N.Y. METS—Signed Anthony Young and John Johnstone, pitchers, to one-year contracts.

SAN DIEGO—Agreed to terms with Wes Gardner, pitcher, on one-year contract. Named Bob Day head trainer.

ST. LOUIS—Agreed to terms with Joe Magrane, pitcher, on one-year contract.

BASKETBALL
National Basketball Association

DALLAS—Activated Herb Williams, forward, from injured list. Released Howard Wright, forward.

DENVER—Activated Orlando Woolridge, forward, from injured list.

NEW JERSEY—Put Sam Bowie, center, on injured list.

NEW YORK—Activated Eddie Lee Wilkins, forward, from injured list. Waived Stuart Gray, center.

PHOENIX—Waived Kenny Battle, forward.

HOCKEY
National Hockey League

NEW JERSEY—Recalled Neil Brady, center, from Utica, American Hockey League.

WASHINGTON—Obtained Paul Fenton, left wing, and John Kordic, right wing, from Toronto for future considerations. Traded Fenton to Calgary for Ken Sabourin, defenseman.

COLLEGE

ARKANSAS—Named Joe Pate assistant head football coach.

AT&T USADirect® Service.
Your express connection to AT&T service.

Calling the States when you're overseas has never been easier. All you have to do is dial a number to be connected to an AT&T Operator in the U.S. You can use your *AT&T Calling Card* or call collect.

AT&T USADirect Service is available in over 75 countries. Here are some of them.

†AUSTRIA	022-903-011	†ITALY	172-1011
BAHRAIN	800-001	LIBERIA	797-797
†BELGIUM	11-0010	LUXEMBOURG	0-800-0111
CZECHOSLOVAKIA	00-420-00101	†NETHERLANDS	06*-022-9111
†DENMARK	8001-0010	†NORWAY	050-12-011
†EGYPT†	02-356-0200	†SWEDEN	020-795-611
†FINLAND	9800-100-10	†SWITZERLAND	046-05-0011
†FRANCE	19*-0011	U.K.	0800-89-0011
†GAMBIA	001-199-220-0010	W. GERMANY	0130-0010
†GREECE	00-800-1311	ZIMBABWE	110-899
†HUNGARY	00*-36-0111		

For additional *USADirect* access numbers or information about the service, call us collect at 412-553-7458. When in the U.S., call 1 800 874-4000 Ext. 416 for your free *USADirect* information card.

*Await second dial tone.
†Public phones require coin or card
‡In Cairo dial 356-0200

AT&T The right choice.

INTERNATIONAL CLASSIFIED
(Continued From Back Page)

ESCORTS & GUIDES

INTERNATIONAL ESCORT SERVICE
Head office in New York
1841 Broadway, Ste. 1000, NYC 10023
212-765-7896
MAJOR CREDIT CARDS AND CHECKS ACCEPTED

MERCEDES
V.I.P ESCORT AGENCY
9 AM TILL MIDNIGHT - 7 DAYS
MAJOR CREDIT CARDS ACCEPTED
TEL: LONDON
(071) 351 6666

ESCORTS & GUIDES

THE ZOE PARTNERSHIP
presents " ELEGANCE "
Europe's most sophisticated Escort Agency
LONDON 071 221 8453
Credit Cards Welcome

ULTIMATE '10'
212-688-1741
NEW YORK ESCORT SERVICE

LONDON BRAZILIAN Escorts
Tel: 071 724 5977/91. Open 7 days.

ESCORTS & GUIDES

ARISTOCATS
Londons premier 1 Escort Agency
3 Shouldham Street, London W1
Tel: 071-258 0090 (3 LINES)

ZURICH SUSAN
ESCORT SERVICE. Tel: 01/382 05 80

ZURICH
Caroline Escort Service 01/252 6174

TOKYO***FIRST CLASS***ESCORT
*** MEMBERSHIP ***
*** SERVICE ***
*** TEL:3351-2278 ***

ESCORTS & GUIDES

GENEVA * MELODIE
ESCORT SERVICE. Tel 022/46 11 58

- LONDON TOP LUXURY ESCORT - VIP's UPPER CLASS MODEL SERVICE FRENCH, ITALIAN, SWEDISH c/cards 24 hrs 7 days Travel) 071 581 2089

ESCORT SERVICE. DUESSELDORF - Cologne - Bonn - Essen - Moenchengladbach - Krefeld. Tel: 0211 - 7338631

TOKYO *** TOP ESCORT SERVICE Major credit cards accepted. Tel: (03) 3436-4598.

ACE ESCORTS AGENCY Ring London 081 299 4444 or 0895 74566 Credit cards Welcome.

ESCORTS & GUIDES

* LONDON & PARIS LINK ***** First class ladies exclusive VIP French Escort Service London. (071) 351-1152

*** MADRID *** CHRISTIE *** Guide Service, Telephone: (341) 571 52 62.

LONDON - PRIVATE NEW EXECUTIVE ESCORT SERVICE (071 581 0199.

ATHENS EXECUTIVE ESCORT AND Guide Service, 7 days a week, English spoken. Tel: 7230572, Athens

NO.1 IN FRANKFURT Escort service open 7 days until midnight. Credit cards. 069/556135 or 069/523491

ORIENT JAPANESE CHINESE THAI Escort Service, Days and evenings. Please phone 071 225 3514 London.

* * * MUNICH * * * 91 23 14 ESCORT & GUIDE AGENCY. THE FRIENDLY SERVICE.

GENEVA "LOVE" Escort Service. 022 / 21 99 61

F R A N K F U R T - "TOP TEN" ESCORT SERVICE Tel: 069 - 55 88 26. THE BEST IN TOWN. Daily from 2pm.

International Herald Tribune
NOW PRINTED IN NEW YORK AND TOKYO FOR SAME DAY DELIVERY IN KEY CITIES
TO SUBSCRIBE, CALL US!
In the U.S.: 1-800-882 2884
(IN NEW YORK, CALL 212-752-3890)
In Tokyo: (3) 3201 0205

DAVE BARRY

The Sneaker Explosion

MIAMI — Do you want to know what's wrong with America? I'll tell you what's wrong: too many kinds of sneakers.

This problem was driven home to me dramatically when my 10-year-old son decided to join a track club. At first I was in favor of this, because I was a track man myself back at Pleasantville High School, where in 1965 — and I hope I do not sound too boastful here — I set a New York state record for Shortest Time on a Track Team Before Quitting.

My original goal was to obtain a varsity letter. I needed one because at the time I was madly in love with Ann Weinberg, who would have been the ideal woman except for one serious flaw: She was an excellent athlete. On an average afternoon she would win the state championship in about nine sports. When we had the annual school awards assembly, various teams would troop on and off the auditorium stage, but Ann would just remain up there, getting honored, until all you could see was a large, Ann-shaped mound of trophies.

□

This caused painful feelings of inadequacy in me, a small, chestless, insecure male whose only recognized high school athletic achievement was the time when, through an amazing physical effort, I managed to avoid ralphing directly onto the shoes of the principal as he was throwing me out of a pep rally dance for attempting to sleep under the refreshments table. Unfortunately this is not the kind of achievement for which you get a varsity letter.

So in a desperation effort to impress Ann, I joined the track team. This meant I had to go into the locker room with large hairy jocks who appeared way too old for high school. At the time I thought that they had simply matured faster than I had, but I now realize that they were actually 40-year-old guys who chose to remain in high school for an extra couple of decades because they enjoyed snapping towels at guys like me. They are probably still there.

I was under the impression that all you had to do to obtain your varsity letter was spend a certain amount of time in the locker room, but it turned out that they had a picky rule under which you also had to run or jump or hurl certain objects in an athletic manner, which in my case was out of the question, so I quit.

But I was glad that my son became interested in this character-building sport, until he announced that he needed new sneakers. This troubled me, because he already HAD new sneakers, which cost approximately as much as an assault helicopter but are more technologically advanced. They are the heavily advertised sneakers that have little air pumps inside. This feature provides an important orthopedic benefit: It allows the manufacturer to jack the price way up.

□

I figured that high-powered sneakers like these would be fine for track, but both my wife and my son gently informed me that I am a total idiot. It turns out you don't RUN in pump sneakers. What you do, in pump sneakers, is pump your sneakers. For running, you need a completely DIFFERENT KIND of sneakers, for which you have to pay a completely different set of U.S. dollars.

Not only that, but the sneaker salesperson informed me that, depending on the kind of running my son was going to do, he might need SEVERAL KINDS of sneakers. The salesperson's tone of voice carried the clear implication that he was going to call the Child Abuse Hot Line if I didn't care enough, as a parent, to take out a second mortgage so I could purchase sufficient sneakerage for my son.

□

I have done a detailed scientific survey of several other parents, and my current estimate is that sneakers now absorb 83 percent of the average U.S. family income. This has to stop. We need Congress to pass a law requiring the sneaker industry to return to the system we had when I was growing up, under which there was only one kind of sneakers, namely U.S. Keds, which were made from army surplus tents and which cost about $10, or roughly $1 per pound.

This simple act would make our nation strong again. Slow, but strong. Probably your reaction is, "Dave, that's an excellent idea, and you should receive, at minimum, the Nobel Prize." Thank you, but as an American, I am not in this because I seek fame and glory. All I seek, as an American, is a varsity letter.

Knight-Ridder Newspapers

China's Elite Retirement Park

By Nicholas D. Kristof
New York Times Service

BEIJING — Behind 15-foot (5-meter) walls in the center of the capital is a vast and lovely park called Zhongnanhai, which was once a playground of the emperors and their concubines and which today doubles as the Communist version of a Forbidden City and the most exclusive retirement home in the world.

Mao Zedong moved into a Ming Dynasty pavilion in Zhongnanhai on the triumph of the Communist Revolution in 1949. Ever since then, Zhongnanhai has been the headquarters of the Communist Party and Chinese government, as well as the home of high leaders.

But the comforts are modest and some think it has bad spirits.

"It is the new Forbidden City," a Chinese woman said with a laugh the other day. The original Forbidden City, the residence of the emperors, is next door and is now a public museum visited by thousands of people every day.

Zhongnanhai is shrouded in secrecy. The aura of mystery is magnified by the periodic rumors of the sybaritic way of life that is supposedly enjoyed on the other side of the wall. Because of their egalitarian language, Communist leaders are particularly vulnerable to charges of hypocrisy when they begin to ride in limousines and drink from crystal glasses. Yet, as the Yugoslav dissident Milovan Djilas noted in a classic 1957 analysis, Communist governments tend to create their own privileged "new class" to replace the one swept aside.

In China, resentment of the corruption and extravagance of this Communist "new class" helped prompt the democracy protests of 1989, and is a continuing source of popular indignation.

Yet a visit inside Zhongnanhai — in the more relaxed days of early 1989, when it was possible for a foreign reporter to offer a senior official a ride and then drive him through the gate and drop him off inside — suggests that it is not nearly so splendid as many people think. Conversations with Chinese who have worked or lived inside, or who have visited the homes of leaders there, also suggest that Zhongnanhai is beautiful and comfortable but that the leaders' lives are not nearly so extravagant as those of top officials in many other countries.

"If a foreigner's home in Beijing ranks 7 on a scale of 10 for comfort and convenience, then the homes in Zhongnanhai rank about 3," said a Chinese who lived briefly inside the compound. "It's very spacious, but everything is old. You should see the kitchen: Sure it's big, but there's nothing modern."

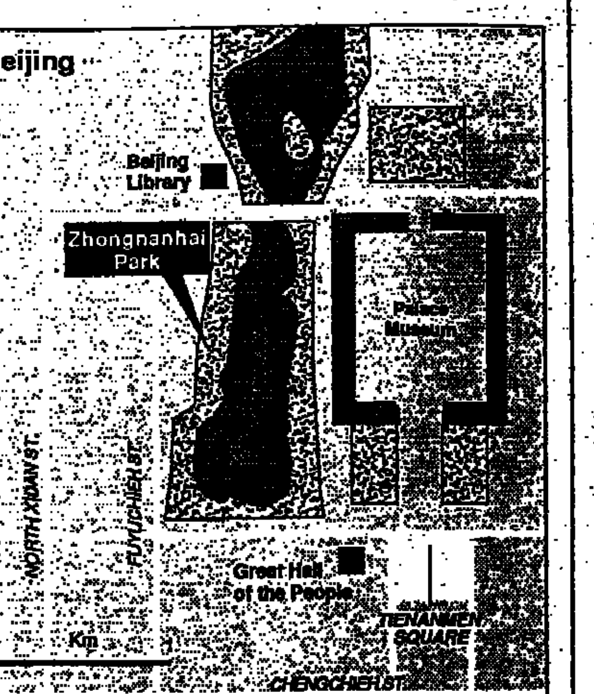
Another Chinese official recalled his visit to a leader's home inside Zhongnanhai and said, "It's nothing special, just a lot of sofas and a bit more comfortable than average." But he added with a laugh that he would gladly move inside.

To be sure, the homes have excellent cooks, air-conditioning — which is banned for ordinary Chinese — and satellite television. During the early morning hours of June 4, 1989, as army troops were firing on pro-democracy demonstrators outside, the family of at least one leader was glued to the television, watching CNN as machine-gun fire reverberated outside.

Deng Xiaoping, China's senior leader, lives outside Zhongnanhai, but his circumstances suggest the oddities of the leadership's comfort level. Deng has a stable of vehicles, including a Mercedes-Benz 500 SEL and a bullet-proof Cadillac, but his home has hot water only briefly each morning and two evenings a week.

After hearing all the fanfare about Zhongnanhai, most visitors find on entering the main Western gate that the vista is almost disappointing. There are simply a series of dowdy red-brick and gray-brick buildings, with pleasant but not spectacular gardens and various maintenance men strolling around in old clothes.

Security is relatively light, but appears to have been tightened since the 1989 crackdown. Chinese tourists are no longer admitted to Mao's former residence.



The New York Times

About a dozen senior leaders live in Zhongnanhai, but the compound is no longer quite as exclusive as it used to be. In the Maoist period, virtually all top leaders lived inside except Lin Biao, the defense minister, and Jiang Qing, Mao's estranged wife. These days, in contrast, more than half the highest leaders, including Deng, Prime Minister Li Peng, and Vice President Wang Zhen, live outside the compound.

Those who live inside — mostly along a narrow lane in the southwestern part of Zhongnanhai — are predominantly retired leaders in their 70s or 80s. They include Chen Yun, the chairman of the Central Advisory Commission; Wan Li, the head of the legislature; Deng Yingchao, widow of Prime Minister Zhou Enlai; Song Renqiong, deputy head of the Advisory Commission; Li Xiannian, the former President; Wang Renzhi, the head of the propaganda department, and Wen Jiabao, the head of the party's General Office.

Jiang Zemin, the Communist Party general secretary, moved into Zhongnanhai in the fall of 1989, a few months after taking office, but according to one official he turned down an offer to move into the home of the ousted party leader, Zhao Ziyang. Instead, the official says, Jiang has spent the equivalent of $80,000 renovating a previously unoccupied home in the compound for his own use.

To add to the ordinariness of Zhongnanhai, some cooks and nurses live with the leaders in their courtyard homes, and there is even a dormitory for young workers from the Communist Party general office.

Some officials suggest that it is best to live outside Zhongnanhai because it has bad "fengshui" — a traditional Chinese belief that some locations are plagued by bad spirits and ill fortune. Certainly Zhongnanhai has been the scene of much plotting and scheming and tragedy over the last century. Chinese officials remember that the Emperor Guangxu, who was ousted in a coup in 1898, was confined to an island in South Lake in Zhongnanhai until he died, probably slain, a decade later.

"It brings bad luck," a midcareer Chinese official said. "I don't know why any leader would want to live in Zhongnanhai."

PEOPLE

Hollywood's War

Recorded celebrity greetings, autographed pictures, movies and radios are among Hollywood community efforts to show entertainment industry support for U.S. troops in the Middle East. Comedian **Bob Hope** and actors **Delta Burke** and **Gerald McRaney**, a wife-husband team, were the last big-name U.S. entertainers in the Gulf before war started Jan. 16. Many others want to go, but the Pentagon put the morale visits on hold. "Those were the last for now," said **Amy Adler** of USO headquarters in Washington. Unable to carry goodwill in person, Hollywood is digging in at home. **Robin Williams**, **Lee Greenwood** and **Arnold Schwarzenegger** have sent salutations, record companies have supplied music cassettes, movie companies have provided films and TV networks have donated tapes of sports events. "The response is just splendid, just like World War II and Korea and Vietnam. We are flooded with tapes, but we can handle them," said **Dorothy McAdams** of the Los Angeles-based Armed Forces Radio and Television Service.

□

Playwright **Neil Simon**, telling the Congressional Arts Caucus luncheon about the depressed state of the New York theater, took a page from those carefully presented Pentagon briefings: "I would like to give you an official briefing of the state of the arts. I have some aerial photos to show you later on the theater in New York and here in Washington so you can see the extent of the damage. Over 50 percent of the audience has fled, and **Ted Koppel** and CNN are claiming a complete victory in a matter of weeks. One of my plays is lost in Yonkers, but it hasn't been confirmed yet."

□

Andrew Lloyd Webber, creator of the techno-musical, has advised the 700 guests invited to his Feb. 9 wedding to Madeleine Gurdon in Hampshire, England, to ignore the war. "We feel we should not give in to the forces that have caused this situation and that we should continue with the part."

□

Condé Nast executives, reversing an earlier decision to halt all overseas travel that prevented editors from attending the Paris couture shows beginning this weekend, are allowing **Anna Wintour**, the editor of Vogue, and **Anne Sutherland Fuchs**, the magazine's publisher, to make the trip. "We decided that those who felt they needed to go would be allowed to, but that we would not instruct them to go," **Bernard H. Leser**, Condé Nast's president, said.

□

The Gulf War has everyone a bit jumpy. This is a time when no one wants to receive an unexpected package, especially one delivered to a U.S. senator's office suite. Senator **Orrin Hatch**'s staff came out of a meeting to find a large, sealed box next to the senator's office. The police and bomb squad were called, and the office was evacuated. After it was determined that the box contained no explosives, it was opened. It contained rolls and rolls of toilet paper that should have been delivered to the senators' gym across the hall.

□

Just when you thought Broadway would never be fun again comes the news that **Joan Collins** will star in "Private Lives" next season, hoping to repeat the sellout success she has had with the show in London. The producers plan an October opening in San Francisco with stints in Los Angeles, Miami and Houston before opening on Broadway in the spring of 1992.

□

Gregory Peck, **Michael Douglas** and **Charlton Heston** showed up, with a lot of other movie types, for the opening of the Center for Motion Picture Study in Beverly Hills, California. Run by the Academy of Motion Pictures Arts and Sciences, the group that gives out the Oscars, the center comprises a library and archives of movies and stills. Its 40,000 square feet are filled with 5 million photographs, clippings on thousands of movies and the people who made them, 5,000 scripts and more than 12,000 films.

□

Brian Henson, the eldest son of late Muppets creator **Jim Henson**, has been named president of the television and film production company his father founded in 1958. Jim Henson, who created a gallery of beloved creatures such as Kermit the Frog and Big Bird, died May 15 of pneumonia at age 53.

INTERNATIONAL CLASSIFIED

PERSONALS

THANK YOU SACRED HEART of Jesus and St. Jude for continued help. MS

MAIL ORDER

SHEPLERS WESTERN WEAR CATALOG-World's largest selection of boots, jeans, hats, suits, dresses & accessories. Call 011 1 316-946-3780 or US only 800-835-4004 for your free catalog. Give operator code 266, or write: Sheplers, Dept. 266, P.O. Box 7702 Wichita, KS 67277 USA.

HEALTH/MEDICAL SERVICES

MALE SEXUAL DYSFUNCTION can now be treated medically. Confidential evaluation by M.D. specialist. Tel: 212-734-3438 USA.

LEGAL SERVICES

DIVORCE BY MAIL - no travel, very quick. Legal Referral Service, Karlsruherstrasse 120, 6900 Heidelberg, Germany. Tel: 49 211 714950

DOMINICAN DIVORCE SINCE 1972. Attorney, PO Box 66423, Washington, D.C. 20035 USA. High references.

DOMESTIC POSITIONS WANTED

ALBEMARLE BARCLAY
The specialist agency for Nannies, Housekeepers, Butlers, Chauffeurs, Married Couples, Security Personnel and Social Secretaries.
All staff interviewed and screened personally to meet your individual requirements, both Overseas and in the UK.
Call: 071 493 2441
21 Hans Place, Knightsbridge, London SW1X 0EP.
FRES MEMBER LIC. No SE 10900

BOOKS

BRITISH BOOKSHOP, FRANKFURT offers a wide selection of British / American books (also children's), British tourist publications. Mail order service-Germany only. 069-280492, Boersenstr 17, 6000 Frankfurt/M1.

FRIENDSHIP

EUROPOWER THE COSMOPOLITAN Private Institute for International Marriages & Relationships where YOU are introduced IMMEDIATELY to TOP CLASS Personalities around the Globe.

COSMOPOLITAN North-European attractive widow of an Int'l businessman, (no children) high standard of living; 5'5" (1.68m) 140 lbs (63 kg), 39 yrs., light brown hair, green eyes. University Degree Economics. Refined manners, multilingual, open minded, sense of humour, passionate, trustworthy, loyal, healthy lifestyle, no smoking/drinking.

Cosmopolitan Personalities wishing to establish a serious relationship under exclusive and professional guidance, please apply in confidence: Hella & George ANGELIDES, your Personal Intermediaries in the "Art of Introducing" Phone Int'l: 3120-437358. Fax: Int'l: 3120-479948. Residence: W. Brugmolen 66, 1188 HB Amstel-veen, HOLLAND. Seven days a week 08.00-23.00 hrs.

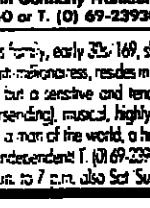
ASIAN LADIES LOOKING FOR friendship view marriage. Details from: ICE BREAKERS, 545 Orchard Rd, 13-03 Far East Shopping Centre, Singapore 0923. Tel: 732 8745/733 4696 Fax: 235 3780 Tel: Malaysia 03-248 8237

PEN PALS reach out and make global friends. For registration forms send address, age and occupation to: Global Human Service, Box 1346, York, Pa. 17405, U.S.A.

EXCLUSIVE SINGLES CLUB in Geneva for select and serious introductions. Tel: +41 22 / 788.24.28.

FRIENDSHIPS

Worldwide first-class Partner-ship Agency



Claudia Püschel-Knies GmbH

International Rendezvous
Great Carneval Ball
Please book
Germany
Frankfurt T. (0) 69-239306
daily from 3 — 7 p.m.

Headoffice in Germany Frankfurt, Untermainkai 30
T. 06241 / 27450 or T. (0) 69-239306 FAX 06241/74354

Young lady of a first class family, early 30s/169, slim, elegant, with long, blonde hair and radiant blue eyes, multi-millionairess, resides in Munich, Switzerland and overseas, no cool businesswoman, but a sensitive and tender, feminine lady, with class and esprit, sporty (skiing, horseriding), musical, highly imaginative, emotional, affectionate, romantic... for HIM, a man of the world, a happy marriage/partnership, totally without any bounds and independent! T. (0) 69-239306 or T. (0) 6241-27450 Germany-Frankfurt daily from 3 p.m. to 7 p.m. also Sat/Sun. FAX (0) 6241 74354

EDITH BRIGITTA FAHRENKROG
SAY YES... TO A PARTNERSHIP THROUGH THE INTERNATIONAL PARTNERSHIP AGENCY WITH ABSOLUTE PERSONAL ASSISTANCE. GIVE ME YOUR FULL CONFIDENCE. CALL ME EVERY DAY (ALSO SAT/SUN) GERMANY, EIKENBACHSTRASSE 11, D-6000 FRANKFURT AM MAIN, 3-7 P.M.
SOUND EXCLUSIVE CONFIDENTIAL TEL: (0) 69/ 43 19 79, FAX (0) 69/ 43 20 66

VERY ENCHANTING GRACE KELLY TYPE, WOMAN AT HER BEST EARLY 30'S, WAVY BLONDE HAIR, GREEN EYES, SLENDER, ELEGANT APPEARANCE, A CLASS, BUT ALSO NATURAL YOUNG LADY WITH POSITIVE PERSONALITY, UNIVERSITY DEGREE, MULTILINGUAL, DESIRES TO LIVE WITH HIM, A MAN OF CLASS AND CHARACTER, UP TO HIS LATE 40S.
PLEASE CALL GERMANY (0)69 - 43 19 79.

Introduction
The agency for companionship and marriage
Mme. M. Th. Kläy, CH-3001 BERN/Neuengasse 45
Tel. 09-41-31-22 21 12
Documentation on request
New: Toronto-Canada
Swiss - worldwide - since 1956

MOVING

1992 - NOW !

interdean

INTERNATIONAL MOVERS

FOR A FREE ESTIMATE CALL

AMSTERDAM	31	(71)	89 93 24
ATHENS	30	(1)	961 12 12
BARCELONA	34	(3)	652 31 11
BERLIN	49	(30)	8154061
BONN	49	(2241)	6 60 62
BREMEN	49	(421)	17 05 91
BRUSSELS	32	(2)	720 95 63
CADIZ	34	(56)	85 67 44
COTE D'AZUR	33		93742121
FRANKFURT	49	(6190)	20 01
GENEVA	41	(22)	43 85 30
LONDON	44	(81)	961 41 41
MADRID	34	(1)	671 24 50
MANCHESTER	44	(61)	707 20 16
MILAN	39	(2)	662 00469
MOSCOW	7	(95)	938 20 80
MUNICH	49	(89)	141 50 36
PARIS	33	(1)	39 56 90 00
ROME	39	(6)	554 001
VICENZA	39	(444)	58 00 33
VIENNA	43	(222)	865 4706
WARSAW	48	(22)	635 27 48
WASHINGTON	1	(703)-	759 4801
ZURICH	41	(1)	945 04 00

ONE NAME, ONE COMPANY

Move Plus

THE INTERNATIONAL MOVERS

Head Office: World Trade Center Rotterdam. Tel: 31 (10) 405 2090

MOVE Plus - FRANCE
Desbordes - PARIS (33) 1-43.43.23.64
Demexport - NICE 05241082 (toll free)
MOVE Plus - NORWAY
Mayortrans (47) 2- 507070
MOVE Plus - ENGLAND
Amertrans (44) 81- 953 3636
MOVE Plus - HOLLAND
Nijman (31) 10- 437 2255
MOVE Plus - GERMANY
IMS (49) 06172- 4831
MOVE Plus - BELGIUM
Ziegler (32) 2- 4222236
MOVE Plus - DENMARK
Adams (45) 31- 787400
MOVE Plus - SWEDEN
Kungsholms (46) 753- 89400
MOVE Plus - SPAIN
Gil Stauffer (34) 1- 275 9844
MOVE Plus - SWITZERLAND
Geneva: Harsch (41) 22- 436885
Zurich: Welti-Furrer (41) 1- 272 1211

THE ADDED VALUE IN MOVING

HOMESHIP. Small & medium moves, baggage, cars worldwide. Call Charlie: Paris (1) 42 81 18 81 (near Opera)

ANNOUNCEMENTS

TO OUR READERS VISITING FROM THE U.S.A.
THE IHT IS NOW AVAILABLE IN MANY U.S. CITIES ON DATE OF ISSUE
Now printed by satellite transmission in New York the International Herald Tribune offers same-day home or office delivery in Manhattan, most areas of Boston, Houston, Los Angeles, Miami, Philadelphia, San Francisco and Washington D.C.
Subscription copies are now flown directly to Atlanta, Chicago, Denver and Seattle for speedy mail delivery.
In the U.S.A., call
TOLL FREE
1-800-882-2884
In New York, call
(212) 752-3890
or write
International Herald Tribune
850 Third Avenue
New York, N.Y. 10022
Telex 427 175
Fax: (212) 755-8785

ALCOHOLICS ANONYMOUS English speaking meetings daily. Tel: PARIS 46 34 59 65 or ROME 678 0320.

ANNOUNCEMENTS

GSTAAD
GOTEP A.G ORIENTAL CARPETS moved from Galerie Francis to EXHIBITION Hall, Residence CABANA Please telephone 030/449 88

NEIL AND DEBRA BURGESS are delighted to announce the birth of their son Sam David Helsby in Peterborough, Ontario, Canada, January 14th, 1991.

FEELING low? — having problems? SOS HELP crisis-line in English. 3 p.m.-11 p.m. Tel: Paris (1) 47 23 80 80.

BUSINESS OPPORTUNITIES

ARISTOCRAT
Would you like to become an Aristocraft German Baron von der... offers his title to higest bidder. Very old nobility world-known name. Please write to Box 2813, I.H.T., Friedrichstr. 15, 6000 Frankfurt/Main

OFFSHORE BANK FOR SALE
Tax haven country. Class A license. No taxes or liabilities. Bearer shares. No disclosure requirements. Immediate transfer. US $10,000.
Call (714)548-1856 Fax (714)723-0717

ROYAL JELLY PURE AND FRESH From Australia virgin forests. Nature secret of long life & virility. Retard old-age feel young again ! Free literature PO Box 6243 GCMC. QLD. 4217 Australia

GIBRALTAR TRUST & COMPANIES. Full confidential and professional services. Goutaland Trust Co. Ltd, P.O. Box 629, Gibraltar. Tel: 350-79013. Fax 350-70101. Tlx 2110 G Trust GK.

BUY DIRECT - BULLETPROOF vests, leather jackets, etc. Made in Detroit. Dealers wanted. Tomo Body Armor 313-397-5800; Fax 313-397-2096 USA.

TROOP CARRIERS, 100 unused 4x4 6 ton diesel. European made. New condition. $22,500 per unit. Fax: +31 104349525. Telex: 23154 NL

2ND TRAVEL DOCUMENTS. ID-drive licence-any country. GM, 26 Klemenu Athens 106-75 Greece. Fax 7219080

2ND TRAVEL DOCUMENTS. ID-drive licences-any country. GM, 26 Klemenu Athens 106-75 Greece. Fax 7219080

BUSINESS SERVICES

IMMIGRATION CANADA
Long established legal firm specialized in Investor/Business immigration to Canada
CAMPBELL, COHEN (Solicitors)
3500 de Maisonneuve West Suite 1802
Montreal, Canada H3Z 3C1
Tel: (514) 937-9445
Fax: (514) 937-2618

2ND TRAVEL DOCUMENTS-CITIZENSHIP
ARRANGED IN 90 DAYS
Valid for visa-free worldwide travel. Stable western country. Results assured. US $25,000, payable only upon delivery of documents.
For information contact:
SAGE & CO. 16 Connaught St, Suite 129, London, England W2 2AG or by Fax at: 44 71 724 5766.

LONDON ADDRESS BOND STREET. Mail, Phone, Fax, Telex, Conference room. Call 071-499-9192. Tx 262690.

SECURITY AND SURVEILLANCE

PRIVATE DETECTIVE U.S. based. Worldwide & Local connections. Warren Lewcoff 215-549-4060

FINANCIAL SERVICES

INTL. NETWORK comprised of bankers, attorneys, accountants and other seasoned professionals forming to refine international financing program. No front fees required only knowledge experience and access. Please fax your personal scenario to USA (213) 208-5819.

FINANCIAL SERVICES

PRIME BANK NOTES
Pledged bank guarantees arranged for sound/viable projects. Serious principals fax proposal to USA (213) 650-1716.

REAL ESTATE INVESTMENTS

ONTARIO-CANADA INVESTMENT. Up to 48% of shares in company to build and run all suite resort in tourist area just North of Toronto. Soonmart Development Fax (705) 687-7817.

INVESTORS - High yield real estate secured. Call Joe (408) 524-1218 USA. Sierra Mustang Financial Services.

REAL ESTATE FOR SALE

FRENCH PROVINCES

CANNES LA BOCCA. Class. Garden, swimming pool, 2 rooms, 62 sq.m., sea & mountain view, balconies, bathroom, wc, kitchen, cellar, parking. F680,000. Tel: Mr. Billard (in French) 93.90.61.07.

GREAT BRITAIN

FOR SALE, LONDON
Studio flat in quiet Knightsbridge Gardens. Studio 5 x 6 m., kitchen with eating area, hall, bathroom, closet space. Contact Richard: Phone or Fax (604) 922-7635 in Vancouver, Canada.

ITALY

TUSCANY Magnificent 6 bed, 6 bath villa near Greve-in-Chianti. Impeccably restored with all amenities. Exquisitely furnished. Must see. For inquiries call London 71 376 5686.

MONACO

PRINCIPALITY OF MONACO
FOR THE SALE, PURCHASE, RENTAL MANAGEMENT or INSURANCE of REAL ESTATE PROPERTY
contact:
AGEDI
Residential Efi Commercial
7 and 9, Bd des Moulins
MC 98000 MONACO
Tel: (33)93.50.66.00 - Telex 479 417 MC
Fax: (33) 93 50 19 42

NEW ZEALAND

NEW ZEALAND PROPERTY Management and Investor Services Ltd. Investment property bought & managed for you. POB 12254, Christchurch, New Zealand. Tel/Fax 64-3-3371139.

PARIS & SUBURBS

QUAI CELESTINS, high class, double living, bedroom, equipped kitchen, parking. VENTURA: 1-42.59.64.40

HEIGHT OF MONTMARTRE 2 rooms, view on Paris, all comforts, 6th floor, lift. F1,360,000. Tel (1) 42 55 66 18

SPAIN

LIVE IN SUNNY SPAIN 3 apartments on the beach Costa del Sol, immediate sale. Tel: Ireland (1) 369879 after 4pm.

SWITZERLAND

YOUR SECOND RESIDENCE
Beautiful apartments near Geneva or in resort areas. Reasonably priced. GLOBE PLAN, Bvaz 10, 1003 Lausanne, Switzerland. Fax: 41-21-202370.

REAL ESTATE TO RENT/SHARE

GREAT BRITAIN

RENTALS, LONG/SHORT TERM. Quality furnished flats central London. Probyn Management Limited, 071 409 7822, 24hrs

KNIGHTSBRIDGE 5 mins Harrods/Hyde Park. Private house, 4 beds, 3 baths, 4 receptions. Short rent or sale. £600 week. Tel 071 584 5799.

KNIGHTSBRIDGE £49/night serviced luxury flats beside Harrods. From £26 in Kensington. Oxbridge Apartments Tel: 071 835-1611 Fax: 071 373-0036.

REAL ESTATE TO RENT/SHARE

PARIS AREA FURNISHED

74 CHAMPS ELYSEES
LE CLARIDGE
FOR 1 WEEK OR MORE
high class studio, 2 or 3-room apartments. FULLY EQUIPPED
IMMEDIATE RESERVATIONS
Tel: (1) 43 59 67 97

OWNER RENTS NEWLY EQUIPPED apartments. Prime locations. For 1 month or more. Tel: (1) 43 06 82 92 Fax: (1) 40 56 33 23

RENT A FLAT WITH KITCHEN for 2, 3, 4 persons on a daily basis from F900-F1050. Hotel ***, Paris 16-Etoile. TV Sky movies-news, sports. (1) 45531495

SWITZERLAND

GENEVA ELEGANT 2 ROOM FLAT furnished antiques, central, quiet, service. SF1500/month. Tel: 478770

REAL ESTATE WANTED/EXCHANGE

MALIBU CALIFORNIA family (3) wants to swap homes July-August 1991 Italy, France or Germany. We have 3 bedroom home. Walk to beach near Los Angeles. Sheila B. 7127 Dume Dr. Malibu, CA 90265 USA.

EMPLOYMENT

EXECUTIVES AVAILABLE

AMERICAN, STRONG P.R./SALES skills to represent intl. executive/business. Contacts. Fax: (213) 475-9165.

GENERAL POSITIONS AVAILABLE

OVERSEAS POSITIONS Hundreds of top paying positions. All occupations. FREE DETAILS: Overseas Employment Services, Dept. HT, Box 460, Mt. Royal, Quebec, Canada H3P 3C7.

GENERAL POSITIONS WANTED

YOUNG AMERICAN WOMAN bored with career, seeks new challenges/adventure as personal assistant/travelling companion to international mogul/diplomat/mover & shaker. Multilingual. Multiskilled. Reply Box 5249, I.H.T., 850 3rd Ave., 10th fl, NY, NY 10022

REMARKABLE COMPUTER PRO has solved many problems in telecommunications, simulation, quality assurance, many other areas. Seeks CHALLENGING POSITION (or EMPLOYMENT AGENT to find me such a position). Call Holland +31 1805 21793.

EDUCATIONAL POSITIONS AVAILABLE

INTERNATIONAL HOUSE Paris seeks Director of Studies for all pedagogical aspects of school & work with French training Managers & executives. Requirements: RSA diploma, fluent French, organizational skills, leadership. Handwritten letter, CV & salary required to Cathy Connolly, International House, 106 Piccadilly, London W1V 9FL UK or tel Paris 1-42363232.

E.L.S. Group International Home Paris, seeks experienced English teacher to run self access center on company premises. Requirements: RSA diploma, experience autonomous learning, creation materials, French. Handwritten letter, CV to: Executive Language Services, 25 Bld Sebastopol, 75001 Paris.

EDUCATIONAL POSITIONS WANTED

US DOCTOR manager Paris agency, formerly ran language school, seeks to establish medical English writing program for pharmaceutical executives with French "formation professional" company. Fax 1-45084794

CERTIFIED ENGLISH TEACHER with corporate experience, available for companies or individuals. Tel: Paris (1) 69.31.04.48.

DOMESTIC POSITIONS AVAILABLE

LIVE-IN HOUSEKEEPER/Companion, Apr/Oct in villa 40 km from Naples. English/Italian. Driver licence. Resume/photo to: A. Mayol, Viale Ca'Granda 27, 20162 Milano, Italy

2 AU PAIRS English speaking. School age children, New York. Write: 2546 Merrick Rd., Bellmore, NY 11710 USA. Tel: 516-679-8145 10am to 6pm EST.

EMPLOYMENT

DOMESTIC POSITIONS AVAILABLE

AU PAIR
required for a well-situated, young executive household in North Germany. Duties will only include: looking after our children, twins/one year old. Previous experience would be an advantage, however, not essential. Remuneration in accordance with age and experience. International driving license can be useful. Applications with CV and current photograph to Box 2819, I.H.T., Friedrichstr. 15, 6000 Frankfurt/Main

URGENT Seeking experienced couple, no children, bilingual English French. Her: maid, excellent cook. Him: butler (including table service), driver, for East of France Estate, independent accomodations (newly redone). flexible hours according to needs. Serious references required + work permit. Send CV, photo & salary requirements to Robur Service, 32 bd Flandrin 75116 Paris.

SEEKING EXPERIENCED NANNY, live-in position in Paris 8th. Need 3 years experience minimum and references. Tel: (33-1) 42.25.00.33.

ENERGETIC AU PAIR housecleaning. Adults. Resume references phone and photo. PO Box 2271 Miami, FL 33243.

DOMESTIC POSITIONS WANTED

FRENCH MAITRE D, 44, fluent English & Italian, 16 years high class experience with notorious tycoons as chief steward on largest & most luxurious yachts, steward on private planes (G3, G4), used to follow last employers worldwide as butler majordomo, in charge of domestic affairs in their different properties. In search of worldwide long-term lasting employments & challenge with responsabilities. For information Tel Paris 1-43.42.99.82.

VIVACIOUS YOUNG AMERICAN university woman (26) seeks Summer 1991 au pair position preferably in The Hague or London area with warm family who does not mind my 3 year old son as additional playmate. Elementary education major with child development concentration. Please write: Miss White, 5330-E Balconies Drive, Austin, Texas 78731 U.S.A.

ARTIST/ACTRESS SEEKS POSITION in Manhattan as household manager in return for living/working space. Will do light housekeeping, bookkeeping, cooking, pet care, etc. Presently employed part time. Excellent references. Reply Box 5252, I.H.T., 850 Third Avenue, 10th Fl. NY, NY 10022

HOUSEMAN, 40, catholic seeks position in Rome. 6 years experience New York, 2 years Paris, France. Driving, cooking, English lessons for your children, 5 days/week. Live-in. Responsible. Some Italian. All residence papers in order. References. Call: Andrew: 6969079

ENGLISH NANNIES & MOTHERS' HELPS. All staff thoroughly interviewed. Full dossiers supplied. Excellent terms of business. UK licensed 21 yrs. NASH AGENCY, 53 Church Rd, Hove, Sussex, UK Tel(403) 711436 (403) 711616 Fax (403) 711462.

BUTLER ADMINISTRATOR/household manager/PA. British trained, 32, with excellent int'l experience, pleasant disposition seeks interesting position. Willing to relocated and travel. Good knowledge of French. Tel: Paris (1) 45489164 room 64 Peter.

GERMAN HOUSEKEEPER, 23 years old seeks position in British household, children welcome. Wants to enlarge her English knowledge at the same time complete her A-levels. From July 91 or later. Please Reply Box 2046, I.H.T., 92521 Neuilly Cedex, France.

EXPERIENCED ENGLISH NANNIES and Baby Nurses for int'l jobs from Occasional & Permanent Nanny Agency, 2 Cromwell Place, London, SW7 2JE. Tel: 071-225-1555, Fax071-589-4966. Lic. UK SE8810.

WESTMINSTER NANNIES International have qualified and experienced staff available for overseas positions. We give a fast efficient, friendly service. Tel UK (0272) 876082 or fax your details on (0272) 340152.

ENGLISH AUPAIR/MOTHER'S HELP, 23, driver, sensible, willing & able, excellent reference childcare, seeks situation France. Call Britannia Agency (UK Ltd) Tel 44 81 332 0487 Fax 44 81 332 2484.

AU PAIR-SUMMER '91. Experienced 17 year old desires position in Paris. Has transportation, excellent references. Rachel Levin, 14 Oakdale Ave., San Rafael, CA 94901 USA.

EMPLOYMENT

DOMESTIC POSITIONS WANTED

French-American Couple experienced in all aspects of food/wine seeking chef/housekeeper situation at estate or corporation. Will relocate. Call (804)296-6099 or (804)979-9772 USA.

FRENCH MALE STUDENT, 22, seeks au pair position USA: Goyon, 1 r Cdt Vallin, 39200 St Claude. (33) 84455772

AUTOMOBILES

NEW FERRARI F-40
only 500 kilometers and
'89 TESTAROSA
with 9,000 kilometers.
Immediate delivery. Fax contact in Switzerland 41-61/281.12.08.

1980 MERCEDES 300SD diesel, 4 door white, leather interior, 50,000 miles. Perfect condition. New tires. Complete with both French & US headlights. Ideal for export to US. Model not registrable in France. Californian's note: this car meets California specifications. Priced for quick sale. Tel: Paris 1-47.53.83.20 afternoons only.

PORSCHE CARRERA 4 RED Model year 1989. For immediate sale. US specifications, located in France. Vanity plate available. 9,000 original miles, in excellent condition. Original warranty. FF500,000. Must sell. Fax USA (1) 401 847 8564.

NEW & USED TOW TRUCKS, Carriers, Trucks & Truck Parts for Export. Tel: 201-288-3885 or Fax 201-288-8357.

AUTO SHIPPING

SAVE ON CAR SHIPPING. AMESCO, Kribbestr 2, Antwerp Belgium, To/from US, Africa. Regular Ro-Ro sailing. Free hotel. Tl 32/3/231-4239 Fx 232-6353

TRANSCAR 17 av de Friedland, 75008 Paris. (1) 4225 6444. Nice 9321 3550. Antwerp 233 9985. Cannes 9339 4344

AUTOS TAX FREE

new TAX-FREE used
Range Rover + Chevrolet + etc.
Mercedes + BMW + Audi + etc.
Cadillac + Jeep + Jaguar + etc.
Same day registration possible
renewable up to 5 years
ICZKOVITS
Claridenstrasse 36, CH-8027 Zurich
Tel: 01/202 76 10. Telex: 815915.
Fax: 01/202 76 30

ATK WORLDWIDE TAX FREE CARS. Export + shipping + registration. All new & used cars. Free radio. ATK NV, Ankerrui 22, 2000 Antwerp, Belgium. Tel: 323 / 2311653. Telex: 31535. Fax: 323 / 2316416. ATK, since 1959.

TRASCO BREMEN. Tax free new and used Audi, BMW, Mercedes, Porsche, Volkswagen, Volvo. Steindamm 38, 2820 Bremen 77, Germany. Tlx: 246624. Fax: (0)421/630205. Tel: (0)421/633044.

EURO + U.S.A. SPECIFICATIONS Tax free cars EPA/DOT conversions, shipping. E.A.C. Gevers Deynootweg 1130A, 2586 BX The Hague, Holland. Tl 31.70.3559245 Fx 3500624 Tx 33230

TRASCO BREMEN Mercedes + Audi Armored cars & stretched limousines from stock. Steindamm 38, D-2820 Bremen 77 Germany. Tlx 246624. Fax (0)421/630205. Tel: (0)421/633044.

BOATS/YACHTS

BOAT NIMBUS 35 DC
FLY BRIDGE - 90
For sale. For more information:
Tel: +46-10-590873
or +46-920-233 06
Fax: +46-920-22228

MAXUM MOTOR BOATS INT'L. The affordable luxury from 17' to 27'. If you have the privilege to buy a tax free motorboat, ask for our free colour catalogue. TRANSCO MARINE - 95, Noorderlaan - 2030 Antwerp - Belgium. Tel: 03/542.62.40. Tlx 35207 TRANS B. Fax: 03/541.11.84.

LOW COST FLIGHTS

WORLDWIDE scheduled departures at the lowest ever discount economy airfare. Credit cards possible. Tel: Paris (1) 42 89 10 81 Fax 42 56 25 82

LOW COST FLIGHTS

ACCESS VOYAGES

	One Way	Round Trip
New York	F1255	F2510
Los Angeles	F1970	F3935
Miami	F1695	F3300
Montreal	F1140	F1980
Vancouver	F2280	F4320
Rio de Janeiro	F3110	F5775
Australia	F4950	F8555
Japan	F4240	F8325
London	F495	F610

and more destinations...
Discount on 1st & business class
Rates subject to modifications
Restrictions may apply

Tel: (1) 40.13.02.02 & 42.21.46.94
Fax 45 08 83 35
6 rue Pierre-Lescot, 75001 Paris
Metro - RER Chatelet Les Halles
(Lic. 175.111)... and also

ACCESS IN LYONS
Tour Credit Lyonnais, 129 rue Servient 69003 Lyons. Tel: (16) 78 63 67 77
Book now by phone with credit card

DAILY FLIGHTS AT LOWEST FARES to any major north American int'l airport. Tel: Paris (33-1) 47 04 67 51.

HOTELS

FRANCE

HOTEL VILLA TOSCANE - PARIS, offering stays in our charming hotel. Price F580 - F700. Tel: (1) 43 06 82 92. Fax (1) 40 56 33 23.

FOR SALE & WANTED

IMMEDIATE CASH PAYMENT for important autographs of American Presidents, Churchill, Einstein, Freud, Beethoven plus 100's of others. Major collections sought. Bruce Gimelson, 305 E. 24th St., NY, NY 10010. (212) 889-4273; Fax: (212) 683-8305.

TUXEDO SUITS, SHIRTS, BOW TIES second hand, many colors, all sizes. Better than new. Reasonably priced. FOB Holland Fax: 31 13 36 14 50 or Tel: 31 13 35 79 80.

ARTS

SERIOUS JAPANESE BUYER
with CASH looking to buy French Impressionist & other important paintings
IMMEDIATELY
Send all information with photos & prices to:
JAMAIS, INC.
127 E. 59th St, NY, NY 10022 USA
Facsimile no: 212-360-1747

COLLECTORS. Dealer in Europe & USA buys/sells Brauner, Chagall, DeChirico, Hartung, Klee, Matta, Penck, Poliakoff, Warhol. No brokers. Also contemporary prints. Figura Inc., N.Y. 212-772-6627 Fax 212-517-4689, Milano (02) 2900-2516 Fax (02) 654-440.

AMAZONS, OLYMPIANS, Legionnaires - Stunning mythological paintings by Russian Artist, Oleg Mingalev at the Hyde Park Gallery, 16 Craven Terrace, London W2 from 29 January to 9 February 1991. 071 978 2372

COLLECTORS

SALVADOR DALI. Unique, unknown, gold medallion, with all certificates of origin: weight 25.7 grs. for sale. Make offer to: Collector, P.O. Box 57, E-3500 Benidorm, Spain. Fax: 0034. 6.586.54.37. APDO 57.

ROLEX COSMOGRAPH/DAYTONA - 18 carat. Used. Asking U.S. $22,000. Negotiable. Tel: (404)320-0022 U.S.A.

GOING ONCE, TWICE, SOLD!!!
INTERNATIONAL ART EXHIBITIONS AUCTION SALES' COLLECTOR'S GUIDE IN SATURDAY'S INTERNATIONAL HERALD TRIBUNE
TODAY PAGE 8

COLLEGES & UNIVERSITIES

EXTERNAL DEGREES BACHELORS, MASTERS, DOCTORATE PLUS LAW. Credit work & life experience. No residency. Resume Evaluation. La Salle University, Mandeville, Louisiana 70470-4000 USA Phone 504-624-8932 Fax 504-624-8931

EARN UNIVERSITY degrees utilizing work, life & academic experience. For evaluation & information forward resume to: Pacific Southern University, 9581 W. Pico Blvd., Dept. 121, Los Angeles, CA 90035 USA

Page 19 FOR MORE CLASSIFIEDS

NANNIES

MONROE NANNIES INTERNATIONAL
"The premier London agency for British staff"
• NANNIES
• NURSERY NURSES
• GOVERNESSES
short or long term contracts.
For full details of this service please call Mrs. ANGELA GREENE
Tel: 071-499-8867. Fax: 071-629-4165
18 South Molton St., Mayfair, W1
UK Licence No. SE5929

NANNIES INCORPORATED
BRITISH NANNIES & TOP MATERNITY NURSES
London Tel.: 71-323 33 38 Fax: 71 436 1328
Brussels Tel.: 2 735 84 62
Paris Tel.: 1 40 56 00 79
"Nannies Incorporated has built a reputation on professionalism" — Nursery World Sept. 1990
FRES INA MEMBER UK LIC No SE 14670

CHECK THE IHT WEEKLY CLASSIFIED SECTIONS FOR ALL YOUR SERVICE NEEDS
Inside Pages
• Business Message Center, Commercial Real Estate, Dining Out, *Wednesdays;*
• International Recruitment, *Thursdays;*
• Real Estate Marketplace, *Fridays;*
• Arts & Antiques, Auction Sales, Education Directory, *Saturdays.*
Back Page
• Secretarial Positions, *Tuesdays;*
• Automobile Market, *Wednesdays;*
• Holidays and Travel, *Fridays;*
• Friendships, *Saturdays.*

Imprimé par Offprint, 73 rue de l'Evangile, 75018 Paris.